ELECTION TO THE PUBLIC ACCOUNTS COMMITTEE AND THE STANDING FINANCE COMMITTEE.

PRESIDENT: Elections, to the Public Accounts Committee and the Standing Finance Committee, from the Assembly will take place on Wednesday, the 5th August 1936. They will be held as usual after the business of the House for the day is over and under the Chairmanship of the Deputy President or one of the Panel of Chairmen.

GENERAL DISCUSSION OF THE BUDGET.

MR. S. J. NAIR (*Nedumangad*): Sir, the Budget for the year 1112 is nothing short of a financial jugglery. By some sort of crooked device adopted in the matter of calculation of figures and classification of expenditure headings, the Financial Secretary has succeeded to place before the House a useless sugar-coated quinine pill in the shape of a surplus Budget to be swallowed by the responsible members of the House. Well, Sir, I particularly submit that the Budget is a useless sugar-coated quinine pill because not only we the representatives of the people but the poverty-stricken, the malaria-stricken and the elephantiasis-stricken people of the State would not in any way be benefited as a result of the swallowing of this useless pill.

RAO SAHIB S. PARAMESVARA AIYAR (*Nominated*): Is not quinine a remedy for malaria?

MR. S. J. NAIR (*Nedumangad*): I submitted Sir, *usëless* quinine pill and hence it cannot be a remedy for any sort of malady.

PRESIDENT: We have already heard the word 'useless.' Yes, go on Mr. Nair; use your own language. (*Laughter.*)

MR. S. J. NAIR (*Nedumangad*): Sir, in order to substantiate my statement, I shall draw the attention of the members of this House to the figures of revenue and expenditure for the next year. Sir, the Budget estimate under Revenue for 1112 is Rs. 2,45,92,105. But this amount cannot be expected to the realised at all. It would be evident from a perusal of the estimated figures as well as the actuals for the years 1109, 1110 and 1111 that the estimated amounts were not at all realised at the end of those years.

The expenditure charged to revenue for the coming year is Rs. 2,42,38,413; capital expenditure not charged to revenue is Rs. 49,00,700; investments on reproductive works such as the Trivandrum and Quilon Electric Supply and Telephone and the Pallivasal Hydro Electric Scheme is Rs. 29,27,600. Thus the total estimated expenditure amounts to Rs. 3,20,66,713; whereas the total estimated revenue for 1112 is only Rs. 2,45,92,105. So, from these figures, it would be seen that there would be excess in expenditure to the extent of Rs. 74,74,608. Well, Sir, it is pointed out by the Financial Secretary that he has placed before us a "wonderful" surplus Budget. But presently I shall show to the entire satisfaction of the House that it is not a "surplus Budget," but it is an outright "deficit Budget." Sir, expenditure charged to revenue for 1112 is Rs. 2,42,38,413. In the

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. S. J. Nair.]

Budget estimate for 1111, expenditure on non-productive schemes such as the construction of Council Chamber, the Town Planning Scheme, the Military Re-organisation Scheme and the Purchase of Travancore House, Madras, were included under expenditure charged to revenue. All these items together amount to Rs. 20,38,400. This time with a view to avoid the "fearful" nature of the Budget for 1112, these items are being classified under Capital expenditure not charged to revenue. That is to say, if the amount is clubbed together as was done in 1111 as expenditure charged to revenue, the expenditure for the year 1112 will mount up to Rs. 2,62,77,813. But, the Budget estimate of revenue for the year 1112 M. E. is only Rs. 2,45,92,105. Therefore there comes a deficit of Rs. 16,85,708. So, it is clear from the figures that I have placed before the House just now that the Budget is a deficit Budget to the extent of Rs. 16,85,708.

In 1112 we find 3 different classifications have been adopted in the matter of classifying expenditure headings. Whether one sort of classification of expenditure heading is adopted or various other headings are adopted, ultimately the expenditure, the unnecessary expenditure incurred in the matter of Town Planning, on account of the pay of the Directress and so on and so forth, ultimately falls upon the "heads" of the poor agriculturists in the State. I mean the tax-payers in the State.

Sir, it is found from the speech of the Financial Secretary that provision is made for the expenses in connection with the general elections to the Legislature next year. In this connection, as a sort of warning to the Government, I would submit that the people, at least the representatives of the people, I mean the members of the Assembly and of the Council, ought to be consulted with regard to the delimitation of constituencies before any arrangement or any finding is made by the Government upon the report of the Special Officer appointed for the purpose of settling the franchise and delimitation questions, so that the people may know whether that report is worthy of consideration or whether it may be relegated to the waste paper basket. Anyhow I would submit, with all respect, that the Government must necessarily consider at least with regard to delimitation of constituencies before anything is settled with regard to general elections. In this connection, I would submit that Nedumangad taluk, the constituency which I have the honour to represent in this House, must, in consideration of the area of the taluk, the population of the taluk, the number of voters in the taluk, the absence of sufficient means of communication in the taluk, and also the yeoman services, that the people of the taluk have rendered to the Royal Family in the State at a critical time in the history of the State and also in consideration of the absence of any sort of communal or religious rivalry in the taluk, be given separate representation, namely one member for the Assembly and one member for the State Council.

LIBRARY ARCHIVES Kerala Legislative Assembly

PRESIDENT : Order, order. I was watching carefully into what pit the honourable member was likely to fall, and I find he has actually fallen. (*Laughter.*) I will certainly not allow any discussion on the Franchise Commissioner's proposal or the necessity for the alteration of constituencies, or any other recommendation relating to that subject inasmuch as the House is aware that it is a matter which has been removed completely from discussion in this House by the Legislative Reforms Regulation.

MR. S. J. NAIR (*Nedumangad*) : Sir, I do not want to tread on forbidden ground.

Sir, in connection with the appointment of the Public Service Commissioner and his works so far done, I would submit that it is a thorough failure. It has already caused uneasiness and heart-burning to many. There is no non-official committee to advise him, to help him and to guide him. There is no provision to overcome the age-bar question.

One word about the Industries Department, Sir. The prosperity and regeneration of Travancore depends upon the development of industries in the State. For that purpose it is absolutely necessary that we must have as the Industrial Director a gentleman who has got an all-round knowledge of various industries so that the industries in the State might be developed to its fullest extent and the people of the State benefited. It does not matter whether that expert has to be paid a salary of 1,000, or 2,000 or even 3,000 rupees. The only thing is that he must be a real expert, who has got the capacity, the knowledge, the pushfulness and experience to organise the industries in the State, so that the people of the State may be benefited as a result of the re-organisation of the Industries Department.

Sir, in recent times, Travancore has become fond of mere pomp and show and nothing but sham show ; and the result of it is no good is done to the people. It is evident from the undertaking with regard to the Town Planning Scheme in Trivandrum, the putting up of Aerodromes at Quilon and Trivandrum, the appointment of Game Warden, the appointment of various committees and boards, the appointment of the Directress of State Guests and the importation of foreign officers in the State service in recent times. Well, Sir, ' Rome was not built in a day ; " and it is not possible to convert Trivandrum in to Paris or Geneva, or to any other big and beautiful city in the World in the twinkling of an eye.

There is the Public Health Department. A Public Health Unit is established in Neyyattinkara taluk near Balaramapuram. That is a place where the people are healthy and no Public Health Unit is required to conduct work. But in Shertala taluk where thousands of people are suffering from elephantiasis which is a very bad disease, the Public Health Department has not spent a single pie in order to see that the elephantiasis problem in the taluk is solved. So, I submit that the Public Health Department is not at all doing its work legitimately. Again, Sir, there is malaria, in an epidemic and endemic

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. S. J. Nair]

form, in Nedumangad, Kottarakara and Neyyattinkara taluks. Recently the malaria has developed into a sort of "red" fever in Arianadu and Uzhamalakkal *pakuthies* in Nedumangad taluk whereby all the school-going children and all other people, irrespective of caste, creed, colour or race, are stricken down by this fever and are laid up. It has become a very dreadful disease. I understand that the Co-operative Society there has passed a resolution and forwarded copies of it both to the Public Health Director and to the Durbar Physician.

MR. PACODE A. NARAYANA PILLAI (*Vilavankod*): May I know from the member whether malaria is the same thing as red fever?

MR. S. J. NAIR (*Nedumangad*): Sir, it may be yellow, black or red fever. Whatever it is, it is a sort of dangerous disease which is occurring recently in some *pakuthies* in Nedumangad taluk. Neither the Public Health Director nor the Durbar Physician has yet gone to the spot and made the necessary enquiries into the matter nor has any relief been given to the poor people there.

The Public Works Department, unfortunately, has become the public waste department in recent times.

PRESIDENT: You are not the first man who has discovered it.

MR. S. J. NAIR (*Nedumangad*): Sir, it has reached the lowest depth of demoralisation. The Section Officer's salary is only Rs. 40 to 70 while the salary of the Tahsildars or the Inspectors of Police or other Division Officers is higher. But there is not a single Section Officer, Assistant Engineer or Executive Engineer who does not own one, two, or even three sedan body cars. Sir, are these officers attending to the maintenance work of the roads? Sir, I brought it to the notice of the Government as well as the Chief Engineer that the Section Officer at Nedumangad has not been attending to his work during the last several months, at any rate to the maintenance work of the roads. He does not even go to the work spot at all. Upon this I was compelled to put in a regular complaint to the Government as well as to the Chief Engineer. The Chief Engineer, P. W. D., has not cared to go to the spot and make the necessary investigations. On the other hand, he has written to the Sub-Division Officer, P. W. D., to come to the spot. He also wrote to me whether I would be agreeable to be present at a joint inspection. I replied him fixing three alternative days on any one of which I said I could be present for a joint inspection. But I was told that none of the dates which I mentioned or fixed was convenient for him. Sir, from the top to the bottom the erring subordinates in the P.W.D. are being supported by the superior officers in the department, and it is most suspicious, Sir.

PRESIDENT: May I warn the honourable member that he is drawing very near the end of his time?

MR. S. J. NAIR (*Nedumangad*): Corruption universally prevails in the P. W. D. Sir, the provision for expenditure for Buildings, Communications, etc., in 1111 is Rs. 24,40,000. Out of this huge

LIBRARY ARCHIVES Kerala Legislative Assembly

amount, only a "magnificent" sum of Rs.36,350 has been set apart for the contruction of new roads for the whole State. Out of this amount, there was only an allotment of one thousand rupees for the construction of new roads in Nedumangad taluk, and this amount has not yet been spent for the purpose it was alloted. Sir, it will be seen that the budget grant for the Trivandrum Town Planning in 1111 M. E. has been Rs. 7,43,300.I n 1112 the budget grant under the Public Works Department for Buildings, Communications, etc., is Rs. 26,75,111, that is about Rs. 2 lakhs in excess of last year's allotment. Out of this, the allotment for the whole State for the construction of new roads in the next year's budget is only Rs. 14,860; whereas for the Town Planning Scheme it comes to Rs. 10 lakhs. Sir, the figures speak for themselves. I do not wish to comment upon it. It is found that for the whole State for the purpose of new roads and communications the allotment is only Rs. 14,860 and for Trivandrum Town Planning alone the budget allotment is Rs. 10 lakhs :—

Sir, it is stated in the Financial Secretary's speech —

"Taking all the factors into account, the need for curtailing the expenditure charged to revenue is imperative. As we have exhausted our Government balances, *vide* para 45 below, it is absolutely essential that we should build up a reserve fund to meet capital expenditure or unforeseen loss of revenue, or expenditure, and aim at setting apart annually about Rs. 5 lakhs at least for the purpose."

Again the Financial Secretary says : —

"The total booked assets inclusive of the outlay on productive schemes at the close of the next year are estimated to amount to about Rs. 467·18 lakhs and our liabilities to Rs. 425·12 lakhs. Our closing cash balance at the close of the ensuing year is expected to stand at Rs. 46·84 lakhs which represents roughly the minimum working balance required."

(*President's Bell*). Sir, have I two minutes more ?

PRESIDENT : I have already given you warning. Will you finish within two minutes ?

MR. S. J. NAIR (*Nedumangad*) : Yes, Sir. For curtailing the expenditure, I would submit the following suggestions. The Town Planning Scheme must be discontinued. The salary of the officers drawing more than Rs. 50 must be cut, and the cut effected mercilessly. (*Laughter.*) The establishment charges in the Public Works Department must be reduced. The Post of Assistant Engineers in the P. W. D., must be abolished. The number of Executive Engineers in the P. W. D. must be reduced. There should be only one Chief Engineer, five Executive Engineers and thirty Overseers, that is one Overseer for every taluk in the State. In the Water Works Department, the proposal of forming three divisions, each in charge of an Executive Engineer, must not be given effect to. Three divisions may be had ; but each division must be in charge of experienced Supervisors and not Executive Engineers. The post of Directress of State Guests must be abolished. There is one Superintendent there ; and hence there is no necessity for retaining a Directress on Rs. 600. There is no necessity for a Game Warden on such a high salary. One Range Officer may be appointed as a Game Warden instead. In the Police Department, the

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. S. J. Nair.]

post of A. S. P's must be abolished. In the Forest Department, the Quilon Division must be abolished. Effect should be given to a resolution passed in the Assembly that the salary of all heads of departments be reduced to Rs. 500 per mensem. The importation of foreigners as it is being done recently should be discontinued. In regard to the reform and reorganisation of the Agricultural Department, the posts of some of the so-called experts who are do-nothings and know-nothings must be abolished. In the matter of receipt of salaries, the payment of a stamp duty of one anna for every amount exceeding Rs. 20 in the salary bill should be insisted upon. Land tax, which is the remnant of an old and antiquarian system of taxation, should be abolished; and in its stead, income tax for all sorts of income should be introduced. Cultivation of tobacco should be introduced into the State. A Tapioca Factory should be started in Travancore. A license fee should be levied for all sorts of advertisements and for all sorts of boards of merchants, companies, vakils and other professional men and on the affixing of wall posters. The existing minor irrigation department must be abolished and the fund allotted for the purpose must vest with the Revenue Department. There should be five overseers in all the five divisions under the Revenue Commissioner so that the interests of the agriculturists in the matter of protective and productive irrigation works may be promoted and developed. The high salary of Professors in the Colleges should be reduced. They have not got sufficient work; and they are not doing sufficient work for the salary that they receive. The number of medical officers employed in the General Hospital, Trivandrum, (*President's Second bell*), the Women's Hospital, Trivandrum, and the Quilon District Hospital should be reduced. Abolish the Post of the Public Service Commissioner. Give in Registry the swampy areas in the Reserve Forests, that are best fitted for paddy cultivation in the State, in order to develop agriculture, promote paddy cultivation, and make the State self-supporting and self-sufficient in the matter of food productions.

MR. EDAVANATT S. PADMANABHA MENON (*Shertala 1*): Sir, the Financial Secretary has presented to us the budget estimate for the coming year, based as usual, on the revised estimates for the current year. In doing so, he prides himself on the fact that he has been able to produce a surplus budget for the first time in the course of the last three years. The Financial Secretary expects an additional source of income to the tune of Rs. 17 and odd lakhs from major heads of revenue, such as Land Revenue, the share of customs revenue from the Cochin Harbour, income from selling the products of the Rubber Factory established in Trivandrum and from the Pallivasal scheme which is expected to be completed and to function some time in the middle of next year. Sir, I cannot share the optimism of the new Financial Secretary regarding increase of revenue, because, as many of the honourable members know, there is partial failure of crops in many taluks in the State and the customs income is always a fluctuating one.

LIBRARY ARCHIVES Kerala Legislative Assembly

Regarding the revenue government expect from the Rubber Factory, if we are to bear in mind the bitter experience regarding other industrial undertakings of the State, it can only be put down as a pious hope. It may be a surplus Budget Sir, but it is not a prosperity budget. There has been no sudden accession of national wealth, nor has Government exercised any rigorous economy resulting in reduction of public expenditure.

At the same time, Sir, I must readily admit that there are certain redeeming features in the present Budget. Rs. 114 lakhs have been set apart for reproductive works and for works of public utility. Last year the Government inaugurated a bold and forward industrial policy. There is a determination on the part of the Government to push forward schemes intended for the industrialisation of the country. So far the budget is interesting and constructive : but, Sir, agriculture is the mainstay of the people of Travancore. But now there is no industry which is in danger of deeper distress than agriculture, Sir. The agriculturist has suffered in recent years from continuous failure of crops, exhaustion of the soil, appalling indebtedness, ever-increasing volume of unemployment, annual visitations of plague, cholera and other epidemics. The agriculturists, who form more than 50 per cent. of the population of the State, have been reduced to their rock-bottom resources. There is no comprehensive scheme, no well-thought out plan in the budget, to call the educated unemployed back to the soil. In every civilised country, Sir, attempts have been made in that direction. In spite of the fact that we, the non-official members, have been crying hoarse year after year that the allotment for agriculture, which forms the occupation for more than 50 per cent. of the people of the country, was too meagure, the budget for 1112 also contains only an allotment of Rs. 3 lakhs and odd for agriculture. Sir, the agriculturist of the country is not having two square meals a day. He is not able to make agriculture a paying occupation. The budget provides just a few hundreds of rupees for buying and distributing soya beans and tomatoes and for buying five stud bulls to be kept in the five wards of Trivandrum town. That clearly shows the sort of interest the Government have in the improvement of agriculture. The whole thing is comic if it were not too deep for tears.

Sir, this annual budget discussion has become a kind of *tamasha*. Year after year, we, the representatives of the people, have been crying out that very little was being done for rural sanitation, that rural economy was out of joint, that there were no means of communication in the rural parts of the country, that the allotment for sanitation and medical relief was very inadequate and that the coastal taluks in the country were not able to get even good water to drink. It is true, Sir, that the Government have made decent provision in the budget for next year for providing protected water supply to Alleppey, Nagercoil and Shencotta. Sir, the whole question is being tackled at the wrong end. The coastal taluks ought to have been taken up as one unit for the purpose of protected water supply.

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. Edavanatt S. Padmanabha Menon.]

From the report of Malarial and Filariasis Survey published by Government for the period from 1931 to 1934,—Mr. M. O. T. Aiyangar, who was then the Health Director or rather the officer deputed for the investigation and report—I find that Shertala, which is 114 sq. miles in extent, with a population of 2,04,500, is subject to filaria to the extent of nearly 23 per cent. Mr. Aiyangar unequivocally says that it is the worst affected area in the whole world. Last year, my esteemed friend the Deputy President, honourable members Mr. P. K. Narayana Pillai, Mr. Puthupally Krishna Pillai, Mr. Ambalapat Asan and my humble self cried hoarse over this problem and appealed to the Government to provide a substantial amount for relieving Shertala of this disease. It is really distressing to note that the Government have turned a deaf ear to our appeal. I seriously ask how the Government can expect from the masses in the country their loyal co-operation if the Government persistently turn a deaf ear to matters concerning the welfare of the people.

Sir, the one novel feature in the present financial policy of the Government is that like a coy maiden this State for the first time made its appearance in the open market to borrow, and, as the Dewan-President rightly observed, with tremendous success. Government, if only they wanted to do it, could have very easily set apart just half a lakh, out of the 50 lakhs that they have borrowed, for relieving the people of Shertala of their agony and distress. If some thing like that had been done, more than 2 lakhs of His Highness' loyal subjects would have been eternally grateful to the Government. Sir, Shertala was once part of the dominion of the Ruler of Cochin; and as such it is the only taluk which has not so far been dedicated to Sri Padmanabha. I do not know, Sir, whether it is for that reason that the Government are systematically neglecting the 2 lakhs of people of the Shertala taluk.

I wish to make one or two observations regarding certain general problems. The non-official members of this House have more than once drawn the pointed attention of the Government to the pressing problem of competition of Ceylon cocoanut producers with the cocoanut producers here. It has become well-known that the Government are prepared to do anything which would enhance their prestige and reputation outside. This is a problem which affects the country vitally since the future of almost every Travancorean depends on it. Sir, Government do not seem to do anything in this direction. The budget does not make any provision for helping the local producer or to find out outside markets for his produce.

As I have already stated, Sir, the Government now-a-days seem to be very nervous in matters involving their prestige and reputation outside. Let us see what they did in regard to the intricate and delicate negotiation with the State Aided Bank. Sir, when the shareholders were at the point of expressing their decided opinion on matters in

LIBRARY ARCHIVES Kerala Legislative Assembly

dispute, the Government gave a clean cheque to some retired officials in Trivandrum; and, at their instigation, the District Magistrate, Quilon, interfered and stayed the proceedings of the meeting. Sir, what is the object of this kind of interference on the part of Government? The Government are being attacked on all sides, by responsible citizens and by responsible dailies of Madras. Round table conference among some of the prominent share-holders and a few of the responsible officers of Government would have squared up the whole dispute; and the institution, on which the prosperity of the whole of North Travancore depends, could have been placed on a better financial footing. The fates of institutions like the Travancore Sugars and the Paper Mills are still fresh in the minds of the people; and I am afraid Government are going to make a mess of the State Bank business as well. It is high time that the Government seriously and sagaciously handle the State-Aided Bank question.

And then, Sir, these retired officials who have been responsible for so much mischief in regard to the State-Aided Bank,—I mean these repositories of superannuated wisdom, as I would call them - are, again on the war-path about the Agriculturists' Debt Relief Bill as well. They have again approached Government with their fourteen points. Sir, we can only cry out "Let the Travancore Government be saved from its friends." Sir, these people represent nobody. (Mr. S. J. Nair: *Hear, hear.*) We the representatives of the people know, Sir, that the agriculturists, who form the majority of the population, are not able to eke out their existence from agriculture. I implore the Government to expedite the Bill and save the agriculturists from ruin. After all, Sir, the prosperity of the State depends entirely on the reserve strength of the agriculturist.

As regards the question of franchise, the President has ruled that the question cannot be discussed on the floor of this House. There is wide-spread impression in the country that the question is in the melting pot and that it is likely that some of the important taluks in North Travancore, taluks with their own peculiar problems, are tacked on to other taluks. That is sure to cause heart-burning to the people of those taluks. I admit, Sir, that some of the minority communities have certain legitimate grievances of their own; it is the duty of the Government to safeguard the interests of such communities. But the question is delicate and important, so that public criticism may be invited for helping the Government in finally solving this vexed question. I may point out, Sir, that an ill-conceived and hasty solution of the problem will be inviting further discord, and even turn back the hands of the clock of progress of this State for generations.

MR. K. KUNJUKRISHNA PILLAI (*Quilon I*): Sir, I am not enamoured of a budget merely because it shows a Surplus, nor am I depressed merely because a budget may happen to show a deficit. The sole test on which a budget is to be beneficent or otherwise depends upon how it treats the financial situation in hand, how it provides for the financial stability of the State especially for the future, and how it attends to the needs of the common people of the country. Sir, when I say

LIBRARY ARCHIVES Kerala Legislative Assembly

this, I should not be understood for a moment to be deprecating the expenditure on commercial enterprises and on schemes like Town Planning. Town Planning, I consider, is very necessary : and this House, when it accepted the principle of the Town Planning Bill, has accepted the principle of the scheme of Town Planning. It has also to be realised that, in the case of Town Planning, the more it is delayed, the more difficult and costly it becomes to the State exchequer, and so, indirectly to the general taxpayer. Therefore, I am not for a moment deprecating any legitimate expenditure on Town Planning : it must be incurred boldly and in time. But at the same time, my complaint is that the Financial Secretary has not paid any attention to the rural parts of the country. The one thing we find from the speech of the Financial Secretary is that he seems to be absolutely ignorant of conditions in rural Travancore. He seems to think that there is no problem of rural communications, rural poverty, rural indebtedness, reform of the methods of agriculture, co-ordination of agriculture and co-operation, etc.

This time last year the House provided for a special Financial Secretariat, and on that occassion we expressed the hope that, when the name and establistment of the Financial Secretary *cum* Account Officer was changed, we not merely expected a change of personnel and an additional charge on Government revenue, but we expected a real change of the financial policy. Do we find that in this speech of the Financial Secretary ? I am sorry to say, Sir, that I do not find any change in the budget speech of the Financial Secretary. He does not look beyond his nose ; he does not make an attempt to put the finances of the State on a proper basis. No doubt he finds funds for necessary expenses for the present. But beyond that, is there any new proposal, is there a new policy, is there even a show or attempt by which the Financial Secretary hopes to put the financial stability of the State on a secure foundation ? In other words, do we find any proposal in his speech which goes to make up the financial position of the State secure and stable ? I am sorry that I do not find anything like that in the budget speech.

We gather from the budget two significant facts : One is that our income is inelastic in respect of most of the revenue heads. The income can be expected to expand very little. On the other hand, we find even our ordinary expenditure, even excluding capital expenditure which may not be recurring, is mounting up steadily. The expenditure is bound to increase. We are not for stinting expenditure. We ask for the proper utilisation of revenue. If the revenue is utilised properly, if the Government can convince this House that the expenditure is only for proper purposes, that there is no waste and that the margin of retrenchment has been reached, then we shall be glad to provide Government with more funds. Unless we are satisfied about that, Government will have to see that expenditure is cut down. As a matter of fact, we find that expenditure could be cut down. Next year

LIBRARY ARCHIVES Kerala Legislative Assembly

though there is a nominal surplus, as previous speakers have already pointed out, there will be some difficulty with regard to the finances ere long. Government will be compelled to resort to retrenchment. We find how impotent, how ridiculous has been the Thommen Scheme to effect retrenchment. I do not attack the standardisation in principle. Apart from the fact that the "Thommen Scheme" has been unjust and iniquitous, it has been of no use in effecting savings. The Retrenchment Committee suggested a better proposal and Government could have saved Rs. 10 lakhs if they had adopted those recommendations. Unless some such method is adopted, there will be serious difficulty. I am sure nothing short of a cut in the salary of Government servants will save the situation. But a cut in salary and a retrenchment in the shape of the steam roller of a 'Thommen Scheme,' to-gether will be too much for the Government servants to bear.

One other fact I wish to mention is this: I do not know why the Financial Secretary has not laid before us the full details regarding this loan. I have been advocating the policy of raising loans for productive schemes from the very beginning of my career in this House. But when we read the budget speech, we find that certain facts are sought to be hidden from us. The Financial Secretary says that he cannot ascertain now the actual amount of loan after returning over-subscribed amounts. If 18 per cent. alone is taken by Government, we can readily calculate the total amount. I hope there will be a clear provision for commission and other expenses. If there is any difficulty regarding that, that ought to be placed before the House. This House has a right to know about it since this is a matter that affects the present and future generation. What is the difficulty in ascertaining the exact amount of loans, and what is the difficulty in showing the exact purpose for which it is going to be spent? With regard to the suggestion of Mr. Padmanabha Menon of spending it for filarial relief, I have got to object to it. I want to state that loans, which are a burden on posterity, should be utilised *only* on schemes that are going to be of benefit to posterity. The loans should not be used for any other purpose. It may be argued that relief of filariasis is also indirectly benefiting posterity. If that be the case, then it can be, argued that loan amounts can be utilised for purposes of education police, medical relief, etc.

PRESIDENT: *In case.*

MR. K. KUNJUKRISHNA PILLAI (*Quilon I*): Yes. Loans should not be utilised for such purposes.

The Financial Secretary stated the policy very correctly last year that loans will be utilised only for reproductive works. But the present Financial secretary slips down from that and says that the question of finding out money for capital expenditure is only a matter of finance, and Government resources will determine whether they will take from current surplus or unfunded receipts like Saving Bank depoists or from loans. In other words, according to the present Financial Secretary that is a matter of adjustment for Government. That is a wrong

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. K. Kunjukrishna Pillai.]

policy for the Financial Secretary to lay down. Sir, the loan should not be touched for items that will not be productive. On the other hand, Reserve Capital, if any, should be spent on schemes of permanent public utility which may not yield a return. That is also a policy accepted everywhere.

There is also another objectionable feature in the Financial Secretary's speech. He has suggested departmentalisation of the budget, a fixed amount that is to be allotted, for every department. If anything more is required by any department, the money will be sanctioned only under special circumstances. This is not a new suggestion. This has been tried elsewhere and it has been thrice condemned. If that is adopted here, the more aggressive of the departmental heads will be able to get from Government more funds; and the more necessary, but unfortunately termed minor departments which are useful to the people, will be starved. This departmentalisation has been condemned by all financial experts. That suggestion should be repudiated. It should not be accepted by the Travancore Government.

I wish to say one word with regard to another item. I am very glad that Government have realised and admitted our contention that the sum of 16 lakhs of rupees due to the Devaswoms is the minimum that Government ought to give to the Devaswoms. Having realised that position and having allotted Rs. 16 lakhs, is it not just, is it not fair, is it not equitable, is it not necessary to satisfy the legal right to see that the amounts that have been taken away by the predecessor of the present Financial Secretary are refunded? Our claim regarding the duty on Jaffna tobacco has been settled. It was decided, I understand, that it should go into the pool but that it will take effect only from the date of the decision. The sums collected previously will be refunded to the State. In the same way, the amounts taken away from the Devaswom Fund should be refunded.

In spite of all these criticisms, I must congratulate the Financial Secretary on one quality which was absent in his predecessor's speeches, namely, candidness. He is very candid in his speech. The weaker points have not been covered by a miasma of words. I take it as courtesy shown to the House. I must congratulate him on the honesty he has shown in his speech. We are embarking on colossal capital undertakings. One of the suggestions, namely, that there should be a complete separation of departmental and commercial accounts is very necessary. Otherwise, it will not be possible for Government to know that the funds spent on the commercial undertakings have been properly spent. I wish also to utter a note of warning in the matter of the amounts raised by loan. Sir, when a loan is raised when we have got surplus funds, there will be a temptation to spend extravagantly. I hope Government will get over that temptation and be very cautions in the matter of expenditure.

One more statement I wish to make. We have almost reached the utmost limits of development of revenue under the present arrangements. Endeavours should be made in the direction of reducing expenditure. We cannot go far like this unless we have a change of policy and change of the basis of taxation.

LIBRARY ARCHIVES Kerala Legislative Assembly

In regard to commercial undertakings, we have gone as far as we can. We are bound to take up the question of cottage industries and also the development of the Agricultural Department, to which only lip sympathy has been shown by providing three or four stud bulls. If anybody looks carefully at the rate at which British India is progressing with the work of rural reconstruction and the development of agriculture, they will find that the funds provided in our budget in that direction will look trivial and infinitesimal. It will be an item for other people to mock at us. These are very useful departments and Government must pay special attention to these departments. There must be earnest effort made to co-ordinate agriculture and co-operation. Without that, there is no hope for the future. Ultimately, prosperity depends upon the economic strength of the peasant population. Much has been said about the necessity of agricultural debt relief. I want only to emphasise the urgent necessity of relief in that direction.

One word more and I am done ; and that is about the problem affecting the liberties of the ordinary citizen. My friend Mr. Padmanabha Menon referred to the prohibition order against the State Aided Bank. Sir, prohibition orders may sometimes be necessary. Against whom it should be applied is the point. There might be two parties attending the general meeting of the State Aided Bank ; one is represented by the Board of Management, and the other by certain retired officers and others. Who was it that was responsible for this imminent breach of the peace at the meeting? If it were the Bank officers or their partisans, they could be brought under control effectively by the Commissioner of Police. There will be no difficulty to bring them under control. There will also be no difficulty for controlling the other party consisting of retired officers if they were aggressive. I am sure the Police Commissioner will be able to cope with these forces.

PRESIDENT: Order, order. It will be recalled that this same question regarding the prohibitory order issued by the District Magistrate, Quilon, was sought to be discussed on the floor of the House by means of an adjournment motion and the Chair then held that, inasmuch as it was judicial order, it ought not to form the subject of discussion on the floor of the House. If the prohibitory order was bad in law, suitable remedies could have been resorted to. I don't think that at this stage I should allow anything like a discussion on the merits of the prohibitory order passed by the District Magistrate. Much less, that has not been challenged anywhere.

MR. K. KUNJUKRISHNA PILLAI (*Quilon I*): I do not want to discuss the merit of the prohibitory order at all. But I may point out there is no legal remedy against that order and it was that fact that I wanted to stress.

PRESIDENT: But there is the High Court.

MR. K. KUNJUKRISHNA PILLAI (*Quilon I*) : There is no revision by the High Court in respect of this. It is not a judicial order either.

I am speaking about it from the point of view of the liberty of the citizen. I also speak from the point of view of the share-holder's

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. K. Kunjukrishna Pillai.]

rights. The question has to be decided one way or the other in regard to credit institutions such as the State Aided Bank and the Central Co-operative Bank; their affairs have been hanging fire for a considerable length of time which cannot be justified under any circumstances. These are institutions that stand or fall on the confidence of the public. What action has been taken by Government is the point at issue. Let us see what responsibility Government has in regard to these two institutions. They have a paramount responsibility, not only to the public of this State but to the public who have invested their money in the State Aided Bank from outside. It is a matter of paramount importance, because, it affects vitally the credit and good name of the State. Sir, the management may be wrong or the pensioned officers who form a clique may be wrong. We are not concerned at all with this aspect of the matter. Whoever is wrong, the Government must intervene and intervene effectively and put a stop to the state of affairs existing in that institution.

PRESIDENT: The honourable member has exceeded his time by five minutes.

MR. K. KUNJUKRISHNA PILLAI (*Quilon I*): With these words, I resume my seat.

RAO SAHIB S. PARAMESVARA AIYAR (*Nominated*): Sir, I congratulate the new Financial Secretary on his maiden budget speech. I congratulate him for the lucidity which charactarises that speech and for the indication it gives of his willingness to take this House into his confidence. I think I must also congratulate him on the boldness—I will not call it daring—and the optimism which have actuated him in presenting a surplus budget at this period of acute economic depression.

Sir, in 1109 the Financial Secretary budgeted for a saving of ·79 lakh of rupees; but the transactions of that year resulted in a deficit of Rs. 5,77,000. In 1110, the budget was framed for a surplus of Rs. 2·95 lakhs, but that year at its end also showed a deficit of Rs. 4·45 lakhs. The Financial Secretary in 1111 came forward frankly with a deficit budget. The deficit anticipated was Rs 6·96 lakhs. But the revised estimate has shown that it may amount up to Rs. 10·84 lakhs. The Financial Secretary adds that, for the first time after three years, a small surplus of Rs. 3·54 lakhs is anticipated in 1112. This is not the first time that surpluses have been anticipated by the Financial Secretary. Perhaps all that he means is that he prays to God that he may be able to realise his expectation in this respect and not suffer keen disappointment like his predecessors. I wish him good luck and pray with him that his anticipations may be fulfilled.

MR. K. KUNJUKRISHNA PILLAI (*Quilon I*): May I tell the member that the Financial Secretary does not realise that, in this mundane world prayer will not bring in money? (*Laughter*).

RAO SAHIB S. PARAMESVARA AIYAR (*Nominated*): But the prognostications do not in any way indicate, as far as I can see, that the

LIBRARY ARCHIVES Kerala Legislative Assembly

results of the next year's transactions will have a surplus of Rs. 3.54 lakhs. The estimate itself has been *inter alia* arrived at by reducing expenditure on ordinary public works by Rs. 1,27,000 and by anticipating an increase under land revenue to the extent of Rs. 2,85,000. Speaking of land revenue, I infer, from the Financial Secretary's speech that nothing is going to be done by way of relief to the agriculturists in 1112. The Government are very anxious to ameliorate the lot of the agriculturists and it is for that purpose that the Debt Redemption Bill has been introduced by the Law Member. It is now before the House, after passing through certain stages. I wish that the further stages may be expedited as far as possible. I may, however, say that whatever bill may be passed into law, if the agriculturists are to be resuscitated effectively and relieved of the difficulties and troubles under which they suffer at present, some continuous relief may have to be afforded to them from year to year, until the economic depression vanishes, and for that purpose a reduction of land revenue is necessary for some years to come. (*Hear, hear.*) My friend the Land Revenue Commissioner may perhaps reply by saying that land tax was settled some years ago, when the prices of agricultural products were not higher than what they are now. This objection can be answered by pointing out that there has been considerable increase since then in the wages of labour, and in the price of manure and agricultural implements, cultivation expenses have mounted up in a variety of way which could not be contemplated at the time of the last Settlement. His standard of living has also risen, for which both the Government and he himself are responsible. We have therefore now arrived at a stage when, without some definite help from season to season irrespective of the question whether the crops are good or bad, the agriculturist cannot pull on. It is necessary that he should derive some margin of profit from his industry for his subsistence.

SADASYA TILAKAN T. K. VELU PILLAI (*Trivandrum-Urban*): May I know, how long the honourable member was a Revenue Officer?

RAO SAHIB S. PARAMESVARA AIYAR (*Nominated*): I was a Revenue Officer for several years, and I testify to all these facts not only because of my experience as a Revenue Officer, but also as a cultivator of land.

Another matter for which the Financial Secretary deserves praise is his enunciation of the certain definite financial policies to be adhered to by the Government in future. These policies have been before us all these years. Only the Government have often deviated from them. That has resulted in much financial distraction which should not recur in future. The new loan floated by Government was a great success and it was certainly a step in the right direction. If only such loans had been floated for capital works, by the Government, when there was need for the expenditure, money could have been found from current revenues for rural reconstruction. That aspect of the question did not strike them at all.

MR. CHIDAMBARAM PILLAI (*Commerce and Industry, South*): Were there not the Railway debentures?

LIBRARY ARCHIVES Kerala Legislative Assembly

RAO SAHIB S. PARAMESVARA AIYAR (*Nominated*): I speak of the Kodayar Project as an instance.

MR. A. S. DAMODARAN ASAN (*Mavelikara*): Is the Kodayar Project a reproductive work coming under the definition of the Financial Secretary's classification?

RAO SAHIB S. PARAMESVARA AIYAR (*Nominated*): It should be.

MR. K. R. ELENKATH (*Kalkulam I*): May I know the percentage of interest derived from that project?

RAO SAHIB S. PARAMESVARA AIYAR (*Nominated*): I am not concerned with the question of interest at all. I am emphasising the need for money being utilised for capital works.

MR. K. R. ELENKATH (*Kalkulam I*): In view of the statement of the Financial Secretary that schemes will be classed as productive if they are likely to yield on an average a net return of not less than 5 per cent. to Government on the capital invested thereon, does the member think that the Kodayar Project was yielding that percentage of interest so as to be classified as a capital expenditure?

RAO SAHIB S. PARAMESVARA AIYAR (*Nominated*): 5 per cent. interest is a very high figure for a reproductive work to yield. If that percentage is to be adhered to, no work will be reproductive in the sense in which the Financial Secretary wishes us to understand that expression. Two years ago it would have become possible for the State to float a loan, but for the windfall which came to them in the shape of Rs. 69·43 lakhs by the diversion of the Railway Sinking Fund.

That amount, when it came to the hands of Government, ought to have been utilised for rural reconstruction or for some such beneficial purpose affecting the whole State, instead of being utilised for the Pallivasal Scheme. Anyhow, better late than never. Hereafter at any rate, I hope that the Government, when they start capital works, will only finance them from loan funds.

There are one or two minor matters to which I should make reference. I welcome the proposal of the Government to start vocational schools. At the same time, the Government should make an enquiry as to whether the students who pass out of similar industrial institutions under the control of the Department of Industries are finding employment. At any rate, the schools now to be started should be so organised as to enable those who study in them to earn their living in after-life by following the vocations in which they specialise there.

One small favour which the Government may confer easily on the rural population is the establishment of additional *Vaidyasalas*. In these days of malaria and other epidemics, it should be the duty of the Government to enlist the services of qualified *Vaidyans* in larger numbers and give them small grants. There are only about 103 *Vaidyasalas* in the State for treating general diseases and 131 recognised *Vaidyasalas* which do not receive any grant. Even if the *Vaidyasalas* under both these heads are added together, there will be only one

LIBRARY ARCHIVES Kerala Legislative Assembly

Vaidyasala for 20,000 people which is not enough to meet the requirements of the State.

I am glad to see that steps are in progress for the supply of good drinking water to the inhabitants of the Municipal towns of Nagercoil, Shencottah and Alleppey. I only request the Government to see that the steps are expedited.

The Financial Secretary has pointed out to us that the general current balance at the end of the next year will be overdrawn by Rs. 9,75,000 and that it is absolutely necessary to build up a reserve fund by setting apart Rs. 5 lakhs every year. I do not know how he is going to set apart Rs. 5 lakhs from 1113 onwards, unless he can devise schemes for bringing in additional revenue. If he can do this without resorting to additional or vexatious taxation, he will more than justify his appointment and the confidence reposed to him by this House and the general public.

MR. T. P. VELAYUDHAN PILLAI (*Tiruvalla III*): I wish to state at the outset that there is absolutely nothing either to congratulate or to condemn the Financial Secretary on the preparation of the Budget for the next year. I must say it is neither a Budget of prosperity nor a budget of despair. It may truly be styled as a "carrying on" budget. When the question of rural reconstruction has been engaging the anxious consideration and the earnest attention of the Government of India and of many prominent British Indian States and when those Governments have been making substantial provisions for the same in their respective budgets, our Government have not thought it necessary or desirable to pay any deserving attention in that respect.

MR. M. SIVATANU PILLAI (*Tovala*): Is there not a provision for purchasing Scindhi bulls?

MR. T. P. VELAYUDHAN PILLAI (*Tiruvalla III*): That is why I have said they have not paid any *deserving attention*. That is only nominal.

The main attempt of the Government appears to be to increase the amenities of the Capital of the State at any cost, to the utter disregard of the manifold difficulties of the suffering millions of the villages. To my knowledge the only new thing calculated to benefit the agriculturists of the State, as seen from the next year's budget, is the inauguration of a scheme for the improvements of the livestock in the State by purchasing a few Scindhi bulls and stationing all of them in some parts of the Trivandrum Municipality, the amount provided for the purpose in the Budget being Rs. 3,000. If the real intention of Government is to confer any benefit to the agriculturists in the State, I am at a loss to understand why these bulls also should be stationed in Trivandrum which is wholly inhabited by non-agriculturists. So far as the helpless agriculturists of the State who are groaning under heavy indebtedness and other disabilities are concerned, the next year's budget is thoroughly disappointing. Even though the Government have thrown out a suggestion in the Travancore Agriculturists' Relief

LIBRARY ARCHIVES Kerala Legislative Assembly

[T. P. Velayudhan Pillai.]

Bill that the debtors may be enabled to pay up their debts by borrowing money from the State Land Mortgage Bank on the security of landed properties, they have not made any special provision in the next year's budget for that purpose in addition to the usual estimate. I leave it to you, Sir, to judge in these circumstances whether the efforts made by Government in the matter of agricultural debt redemption can be considered to be genuine.

Of late Travancore Government have been making unusual delay in making appointments in vacant places. Even for filling up the retirement vacancies of the High Court Judges, it takes considerable time; and consequently even the normal functioning of a valid High Court under law has become impossible. Since instances are too numerous, I do not at all wish to recite all of them here in detail. One clear instance will, I believe, quite suffice the purpose. We have heard that Government did not notice the retirement of a First Grade Teacher of the Shencottah High School till the next previous day of his retirement and an Assistant Secretary to Government had all of a sudden informed the Director of Public Instruction of the fact of the retirement on a holiday. If this is true, can the Government deserve any credit for such a serious oversight and delay?

Another important fact which I wish to urge upon the attention of Government is with regard to the appointment of foreigners in public service on higher salaries than what is prescribed by the standardisation G. O. Some of these officers are superannuated gentlemen who are supposed to be in no way superior to those officers who have retired from service, and in whose places they are appointed.

MR. K. R. ELENKATH (*Kalkulam I*): Are they considered to be equal at least?

MR. T. P. VELAYUDHAN PILLAI (*Tiruvalla III*): That is also doubtful in the case of some of them at least. Some of these officers have proclaimed to the outside world that their appointments have been appreciated by the respectable citizens of the State. Is it not an insult to the Travancoreans in general in addition to the waste of public revenue? It is high time for the Government to discontinue this most undesirable and objectionale course of action. I should not be understood to have said that in no case should a non-Travancorean be appointed. Far from it. Under very extraordinary circumstances, this course may be resorted to for the general good of the State.

MR. PUTHUPALLI S. KRISHNA PILLAI (*Quilon II*): May I know what are those extraordinary cases?

MR. T. P. VELAYUDHAN PILLAI (*Tiruvalla III*): The appointment of the Dewan of the State.

PRESIDENT: But the Dewan is in the Chair now. (*Laughter*)

MR. T. P. VELAYUDHAN PILLAI (*Tiruvalla III*): The Franchise and Delimitation Commissioner appointed by Government is reported to

LIBRARY ARCHIVES Kerala Legislative Assembly

have submitted to Government his Final Report. Rightly or wrongly, the public are entertaining very serious misapprehensions about this report. My request to Government is that the public must be given an opportunity to express their views on this report and to pass the final orders on this report only after the consideration of the whole matter in the light of such views. This would, of course, help the Government to come to a right conclusion also. It is always better and safer for any Government to respect public opinion.

In this connection I wish to offer a few words about the present State Guests Directress who is a retired officer now in active service of the Government. Even though I do not venture to impeach the necessity for this appointment; for want of a sense of propriety in the discharge of duties, she has very often given room for wounding the feelings of State Guests and their respectable friends, and the consequence is that——

MR. K. PADMANABHAN (*Chirayinkil I*): May I know one or two such instances?

PRESIDENT: I cannot allow the member to quote instances and the names of those guests. Only general remarks can be made.

MR. T. P. VELAYUDHAN PILLAI (*Tiruvalla III*): The result of such behaviour is to bring disgrace to Government and to the whole State, for no fault of Government. So I am constrained to advise the Government at least to maintain the good name of the Government especially outside Travancore; it has become indispensable that she should be sent away from service at the earliest possible moment.

PRESIDENT: From Trivandrum?

MR. T. P. VELAYUDHAN PILLAI (*Tiruvalla III*): From service. Once she was sent away from service. Subsequently she was taken in. Now my request, in view of the circumstances which will bring disgrace to Government for no fault of theirs, is that she may be sent away from service and thus safeguard the good name of the Government and of the State.

PRESIDENT: I think it would be convenient if the House would now adjourn and meet again at 2'o clock.

The House rose for lunch at 12-59 P. M. and met again at 2 P. M. with the Deputy President in the Chair.

MR. R. SIVARAMAN NAIR (*Tiruvalla II*) Sir, in 1109 and 1110 we were presented with a deficit budget but at the time when the revised estimates were prepared, they were found to be deficit budgets. Last year the Financial Secretary made a very bold step and presented us with a deficit budget showing the true state of affairs. This year the new Financial Secretary has gone back to the old practice and has brought forward a surplus budget which really ought to have been a deficit budget. By a change in headings and by a jugglery of figures, he has manipulated it. Before this, the tactics was to balance the budget and to show a surplus by over-estimation of the income and under-estimation of expenditure. This year the Financial Secretary would go

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. R. Sivaraman Nair.]

a step further besides over-estimating the income and under-estimating the expenditure; he will regroup the items of expenditure so as to leave a clear balance. He will take to the revenue side only so much of the expenditure as to have a balance. That is how he has earned the pleasure of producing a surplus budget.

Till this year, the Financial Secretary was only anxious to balance the budget for the next year so as to show a surplus. The new Financial Secretary will not leave matters there. He wants to expiate the sin of his predecessor in presenting a deficit budget last year. Some items of expenditure which were charged to revenue last year are included in the debt heads. Though the Financial Secretary would say that there was only a deficit of Rs. 5·06 lahks last year, it is clear that there is an actual deficit of Rs. 28 lakhs. Whatever it be, the Government account balance which was standing at Rs. 108 lakhs has been reduced at the end of 1111 to Rs. 80 lakhs

Sir, coming to the present Budget, the estimated income is Rs. 245·92 lakhs as against the Budget estimate of Rs. 242·16 lakhs during 1111. From the budget we see that, though the budget estimate for 1111 was Rs. 242·16 lakhs, the amount actually received was only Rs. 229 lakhs. This year the Financial Secretary would expect Rs. 16 lakhs more than what he realised last year. This is only a dream. He may or may not realise it. In my heart of hearts I wish that his golden dream may be realised. His predecessors also had such dreams which were found to be mere dreams.

Now, Sir, coming to the expenditure side, we find Rs. 249 lakhs provided for while in 1111 the expenditure was only Rs. 234 lakhs more. In this connection we must also remember that several items of expenditure which were charged to revenue are taken from that heading and included in other headings. On a reference to the Budget, it is seen that in several departments there is an increase in expenditure. Under General Administration, there is an increase in expenditure of Rs ·5 lakh; under Administration of Justice Rs ·2 lakh; under Police Rs ·5 lakh. But coming to the nation building activities of the Government, we hear a different and sorrowful tale. In the Public Works Department in 1111 the Budget estimate was Rs. 37·31 lakhs, while this year the Budget estimate is 31·05 lakhs, thus reducing the budget provision for 1112 by Rs. 6·3 lakhs. In this connection, I may be permitted to point out to the House that last year only Rs. 28 lakhs have been spent under Public Works Department allowing Rs. 8·5 lakhs to lapse. This is highly regrettable. Public Health Department gives another miserable tale. Though the Director of Public Health urged upon the Government to start a comprehensive scheme to combat epidemic diseases and for the betterment of rural sanitation, though even the formidable Financial Secretary would admit that the Public Health Director had very ardently pressed upon the Government the necessity and urgency of his scheme, it is very very regrettable

LIBRARY ARCHIVES Kerala Legislative Assembly

that the Government were able to find only Rs. 10,000 for this purpose. You are ready to spend more on Police, Military and General Administration; but you seem to be very stingy when you spend money over Public Works and Public Health Departments. I am aware that departments like General Administration and Police are necessary for the well-being of the State. Army may also be necessary. But there must be a sense of proportion. Nation-building activities must not be curtailed in any way. More expenditure is incurred where it is not necessary and we do not spend more where it is very necessary. It may be said that there is scarcity of funds. We must reduce our expenditure. The so-called standardisation scheme will not help us. Not only that, it is quite unjust and inequitable. The axe does not fall where it ought to have. It is misdirected. We must have a more bold policy as regards reduction of expenditure.

Sir, the financial policy of Government as regards capital expenditure is explained at page 16 of the Financial Secretary's speech. He says :—

> "Such schemes are expected not only to constitute a profitable investment in a commercial sense and to strengthen considerably the revenue position of Government, but are extremely valuable on account of the increased amenities and conveniences which they render to the public and the indirect and secondary beneficial effects accruing therefrom such as the mitigation of unemployment to some extent and the stimulation of trade accessory and incidental thereto, etc."

Sir, these are not unassailable dogmas. At least there is a certain amount of public opinion here and elsewhere that the State ought not to indulge in commercial enterprises. Mr. A. H. Duke, the Director of Industries, U. P., says :—

> "I am not in favour of the State engaging in any industrial enterprises as the ordinary Government official in India has no idea of business or industrial matters and where the Government has engaged in such ventures they have not succeeded. In view of the necessity of doing something to relieve the present state of unemployment, it may be desirable for the State to import certain industrial specialists, who would be given fairly free hand after appointment in the matter of preliminary research work, if any be necessary. I am also of opinion that when the research work is successful the industrial expert should be kept on to run the industry, if capitalists are ready to put up the necessary funds for developing the business, otherwise it should be closed down.....Conditions might be materially altered for the better if the State instead of dabbling in business to start a compaign against waste both in industry and in agriculture. Waste and inefficiency are responsible for the present maladies in India"

Sir, these argument apply with a greater force to our State than to British India. Our officials are more inefficient. Our experience gives us a very hard lesson. The Financial Secretary expects more of revenue from these industrial enterprises. Our experiences are quite the other way. What is it that we get from the Sugar Factory? Where is our Tannery now? What revenue did we realise from the Sugar Factory this year? It is doubtful whether we are going to get any good profits from these grand commercial enterprises.

MR. K. KUNJUKRISHNA PILLAI (*Quilon I*) : May I know whether the member is aware of the tremendous success of industrial enterprise in Mysore ?

LIBRARY ARCHIVES Kerala Legislative Assembly

MR. R. SIVARAMAN NAIR (*Tiruvalla II*): I am also aware of the failures we had and not only of the success elsewhere.

MR. K. KUNJUKRISHNA PILLAI (*Quilon I*): May I know whether the honourable member can mention one or two instances?

MR. R. SIVARAMAN NAIR (*Tiruvalla II*): The Sugar Factory is one.

MR. K. KUNJUKRISHNA PILLAI (*Quilon I*): May I know whether it was a Government enterprise?

MR. R. SIVARAMAN NAIR (*Tiruvalla II*): The Punalur Paper Mills and the Tannery.

MR. K. KUNJUKRISHNA PILLAI (*Quilon I*): Again may I know whether it was a Government enterprise?

MR. R. SIVARAMAN NAIR (*Tiruvalla II*): It was.

The Financial Secretary says also that this commercial undertakings may mitigate unemployment. It may to a certain extent. They may provide work for a few; but the grave side of unemployment is the employment of the educated.

MR. S. NILAKANTA PILLAI (*Chirayinkil II*): Sir,——

DEPUTY PRESIDENT: Do you want to put a question?

MR. S. NILAKANTA PILLAI (*Chirayinkil II*): I thought Mr. Sivaraman Nair had finished.

DEPUTY PRESIDENT: But it did not appear to any of us that he had sat down.

MR. R. SIVARAMAN NAIR (*Tiruvalla II*): Sir, the question of unemployment is a very difficult question and it is assuming proportions which we cannot fail to take notice of. In this connection, I shall refer to a passage from Sir Tej Bahadur Sapru's report on unemployment. He says—

> "The existence of an increasing class of the community superior in education and intelligence to the masses, but without occupation and discontented, unemployed and liable as a result of idleness quickly to become unemployed, constitutes for the State an economic loss and a political danger. Public opinion rightly attaches much importance to the question and demands action by the Government."

Sir, the more I ponder over the subject, the more strongly comes the conviction to me that mere palliatives would hardly do or enable us to tide over difficulties for even a short time. The causes of unemployment among the educated classes are not superficial or temporary. They lie deep among other factors in the unsound educational and economic policy of the State. Thus it is State action alone which can undo the evil to the extent to which it is due to its own past policy and provide reasonable facilities for the development of private enterprises and effort among the people. Year after year numerous graduates are coming out of our Colleges. Thousands of young men are coming out of the English and Vernacular High schools and Middle schools. Will the Government's commercial enterprises provide work for all these? How will they earn their livelihood? How can they get any avenue for their betterment? If they go on lazy, is it not a loss to the State? Will it not become a menace to the Government?

LIBRARY ARCHIVES Kerala Legislative Assembly

The only solution which I can find for this problem is the development of cottage industries. We are spending lakhs and lakhs over the Pallivasal Hydro-Electric Scheme. It may produce a good amount of power. How will we utilise it? We must not waste what we are earning at such a high cost. As it is planned today, the scheme may be of use to some businessmen at Alleppey and Kottayam. We do not know for what all small-scale industries this power can be used. Do we know what small-scale industries are capable of development? Development of small industries is the only solution for the question of unemployment. It is the most opportune time for the State to make an industrial survey. We must find out what all small industries can be developed by electric power. We must make the best use of the Pallivasal Electric Scheme.

Another solution for the question of unemployment is to frame a good educational policy for the State. Our educational system is very faulty. We must industrialise it more and more. Primary education must be made compulsory. Our Middle School and High School courses must be so shaped as to make those who come out of it, better agriculturists and better members of a village community. We must remodel the educational system thoroughly. Its literary cast must be changed for an industrial one.

I hope the Government will look into these things with a sympathetic heart.

MR. S. NILAKANTA PILLAI (*Chirayinkil II*) : Sir, I am really sorry that I cannot congratulate the Financial Secretary on his maiden speech. From the view point of the rural population, his speech and the budget estimate for the next year are most depressing and unsatisfactory.

Sir, the other day he was talking much about capital undertakings. An aggregate sum of Rs. 96·38 lakhs, which he calls a peak provision made hitherto in a single year, has been provided in the budget for the next year for expenditure on capital schemes. But, Sir, what has he to say with regard to the local needs of the various taluks of the State? He has paid practically no attention to the demands of the people in country parts.

At the end of his speech the other day, he said that the financial position of the State may be regarded as one of exceptional soundness. But he does not seem to have remembered that the financial soundness of a country depends on the well-being of the generality of the people. In Travancore, Sir, the agriculturists form the majority of the population, agriculture being our basic industry. At the present time, Sir, the very existence of our agriculturists is at stake. The fall in the prices of agricultural products has been so great that the agriculturists are not able to get *any* return for their expenditure, time and labour. Added to this, they have to face the capriciousness of nature ; and failure of crops is the rule of the day. In these circumstances, do not the agriculturists deserve some help from Government? Are not they entitled to some relief by way of remission of taxes? If a remission of taxes had been

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. S. Nilakanta Pillai.]

concieved and estimated in the next year's budget, it would not have been possible for the Financial Secretary to present a surplus budget. The Government and the Financial Secretary, instead of viewing the condition of the ryots sympathetically, assume that the depression has lifted and that the agriculturists are in affluent circumstances and try to realise from the tax-payers even the last pie by resorting to coercive steps. Not even that ; Sir, on account of process fees, fines and forfeitures the Land Revenue Department is going to take by force from the tax-payers a sum of Rs. 67,000. In this connection, Sir, I may be permitted to say that the Government are not really aware of the condition of the ryots. And the budget estimates for the next year clearly show the utter absence of a due correspondence between the condition of the people and the condition of the finances of the country and consequently we have a suffering country and a surplus budget.

I may just refer now to minor irrigation works. Government have long recognised the extreme necessity of minor irrigation works. The Dewan-President, while addressing a joint session of the Assembly and the Council, said that the Government were contemplating the desirability of undertaking the repair and improvement of minor irrigation works in the State. But the Government do not seem to have pursued a steady and definite policy in this matter. I know, Sir, that there is a lump sum provision in the current year's budget itself for minor irrigation works; but the major portion of it has not been spent. Specific works for which allotments had been made have not been executed. The budget for 1112 also provides for minor irrigation works. But I am sure that, at the end of next year, the amount provided will still remain unspent. Sir, unless the Government direct their special attention to the improvement and maintenance of minor irrigation works, the ryots will not be able to irrigate and cultivate their fields ; and consequently the Land Revenue Department and the Government will be put to much difficulty in the realisation of taxes. Sir, in this connection I may submit that there are some mainly agricultural taluks in which not even a single irrigation tank has been improved ; and the taluk of Chirayinkil is one of them.

In regard to public works, Sir, as against a provision of Rs. 36·4 lakhs in the current year's budget, the budget for 1112 provides for only Rs. 32·9 lakhs. There is absolutely no provision for new mofussil roads. Sir, we the representatives of the people have been, year after year, clamouring for more roads. I am really sorry that our just and modest demands are being refused by the Government, I am sure, Sir, that a Government, which has been able to find funds to the extent of Rs. 96 and odd lakhs for capital works, can certainly find funds, if it wants, for absolutely necessary work in the rural parts. Works done in the country parts may not be useful for advertisement. But they are extremely necessary for the peasants who are the backbone of the society.

LIBRARY ARCHIVES Kerala Legislative Assembly

Then I wish to say a word about the proposal of the new Financial Secretary to have a convention that the expenditure of each department should not ordinarily exceed a certain fixed percentage of the total revenue of the State. I take it, Sir, that the object of this is to make some saving. I must say that this is not the way to do it. In some cases, it may lead to undesirable consequences. If the Financial Secretary would examine the items of expenditure in the various departments, he can easily discover several unnecessary items of expenditure ; such items should be cut down. Instead of doing this, to say that a particular department should demand only a prescribed sum is suicidal and it will injuriously affect the proper working of the departments.

MR. A. S. DAMODARAN ASAN (*Mavelikara*) : I must first of all express my regret at the reduction of the number of days allotted for general discussion, from 3 to 2. Last year, the Dewan-President said—

DEPUTY PRESIDENT : I must know whether it is the Dewan or the President that you are referring to.

MR. A. S. DAMODARAN ASAN (*Mavelikara*) : The Dewan, Sir. The Dewan allotted 3 days for general discussion last year, this year he has reduced it to 2. Sir, this is the occasion when we get an opportunity to review the financial position of the State as a whole, and we all know that the 3 days allotted last year were fully utilised by the members of this House. No time was left unused. I hope, Sir, that, at least in future, rights conferred on us will not be withdrawn.

Sir, till now, the Travancore Government, when preparing its budget, had only two considerations. One, the primary one, was that their officers should be well provided for. The other was to attend here and there to the needs of the people and to make small provisions for nation-building activities. This year, the Government have entered the Indian money market, and they want to show that their finances are very stable and that investors need not have any fear as to the financial stability of the State. The new Financial Secretary has risen to the occasion ; he has so classified the expenditure side as to leave the impression upon the unwary public that Travancore finances are quite stable.

For the last three years—

DEPUTY PRESIDENT : The member is really making a very serious statement.

MR. A. S. DAMODARAN ASAN (*Mavelikara*) : Yes, Sir.

DEPUTY PRESIDENT : The member has stated that Travancore has entered the money market for raising a loan with pretentions and unless the member's point is that the Travancore Government is badly involved in insolvency, this cannot go on.

MR. A. S. DAMODARAN ASAN (*Mavelikara*) : I never said that Travancore was on the verge of insolvency. I was asserting that the impression left by the Financial Secretary's statement and the budget figures did not warrant the real condition of affairs.

LIBRARY ARCHIVES Kerala Legislative Assembly

DEPUTY PRESIDENT : That is why I ask the member whether he thinks we are in a very bad financial situation.

MR. A. S. DAMODARAN ASAN (*Mavelikara*) : I feel it is not as good as it ought to be.

MR. S. CHATTANATHA KARAYALAR (*Shencotta*) : Was not the loan transaction completed even before the presentation of the budget?

MR. A. S. DAMODARAN ASAN (*Mavelikara*) : Yes, Sir. But the budget also was under preparation at that time.

Sir, for the last three years we had deficit budgets ; and to reduce the deficit of 1111, the Financial Secretary has retrospectively re-grouped the expenditure side and has even gone to 1110 for the purpose of reducing the deficit because even the amount spent for establishment under Drainage has now been debited to capital expenditure and the expenditure of 1111 has been reduced to that extent. In 1112, of course, the same thing continues. We find that Government reserves which were standing at 170 lakhs of rupees in 1105 would stand at Rs. 42 lakhs at the close of 1112. The Financial Secretary lays down a proposition that, where the current revenues do not justify the undertaking of a work of some expenditure, we must go to the reserves. We find that even the provision for the Council Chamber which is only Rs. 2 lakhs is to be met from the reserves. This sum of Rs. 170 lakhs at the close of 1105 has been the result of the savings from the current revenues and it was also very often said that these reserves were intended for meeting situations that might arise owing to famine conditions, floods and all that. Gradually we have been taking bit by bit from that reserve and after one year it would be at Rs. 42 lakhs. The Financial Secretary states that a reserve is necessary. But what is the way in which he thinks of providing for it? It is only to draw from the existing reserves about Rs. 25 to Rs. 30 lakhs and to provide for a reserve of Rs. 5 lakhs annually in future years. What he says is that it is necessary to invest Rs. 5 lakhs annually so that the reserves may be strengthened. But he does not even make a provision for reserves to be strengthened in 1112. Sir, we know how many years are required for wiping out the whole of the reserves with this *minus* twenty-five lakhs withdrawn and *plus* five lakhs promised to be deposited every year. There is another difficulty also. Whenever any big work of public utility is sought to be provided for, the Government will come and say—'well, the policy we have laid down is that for works involving some expenditure, the reserve must be indented for.' But where will be the reserves after one and a half or two years? That means we are not going to have any big work of public utility in the near future. We have had very big works like the Neriamangalam—Pallivasal road, the Bridges at Chenganoor, Muvattupuzha, etc., constructed out of the current revenues. When a re-grouping is sought for, an explanation must be found ; and for that, exploded theories are put forward. Sir, even the Kodayar Project was undertaken out of the current revenues. Sir, the learned Financial Secretary says that assets cannot be created by the waving of a magic

LIBRARY ARCHIVES Kerala Legislative Assembly

wand. But he thinks that, by the waving of a magic wand, he can produce an impression that assets are created. That is all the magic is intedned to do. It is not intended for the creation of assets. The magician will produce an impression that plains are hills and that a heap of rubbish is a heap of gold. We have to be very clear on this point and; I fear that, if the present policy is pursued, we will be landed in very great difficulties in the very near future.

Sir, coming to the assets side of the budget, we find that Rs. 83 lakhs invested on the Railway from Quilon to Trivandrum is not found in this assets column though Railway is a reproductive scheme. In Mysore and Cochin, the railways are yielding huge profits. But what is it that we find in Travancore? We are paying about Rs. 50,000 per annum to the South Indian Railway authorities to make up the losses in the running of the line. That is really because we have no control over the management of the railway, because we are not in a position to closely scrutinise the income and expenditure and because the Government do not care to assert their right so far as this railway is concerned.

With regard to the Quilon-Shencotta Railway, we were building up a reserve to purchase the Railway as under the underwriting agreement we have guaranteed a minimum profit. Two years back the present Financial Secretary has been anticipated and that sinking fund has been converted into a general reserve fund after giving a part of it for irrigation fund. The object at the time of starting the sinking fund was to have that railway as well as other railways that may be opened in Travancore under the complete control of the Travancore Government. Sir, even the Quilon-Trivandrum railway on which we have already spent about Rs. 83 lakhs is not securing at least employment to Travancoreans. That is because we have no voice in the matter.

The Thuckala Sugar Factory, about which reference was made two years back in this Assembly asserting that it is a very promising concern and a flourishing one, finds no mention whatever in the budget speeches of 1110 and 1111. The attempt of the Financial Secretary appears to be only to give the bright side of the finances of the State to the Assembly and to keep back from us the really dark side. If a change with regard to the expectations or anticipations with regard to the Thuckala Sugar Factory has occurred subsequent to 1109 should we not have been told about it? Last year the Financial Secretary expected Rs. 50,000 from the Rubber Factory. I was surprised at it because after investing Rs. two and a half lakhs it was too optimistic to expect a return of Rs. 50,000 in one year. Anyhow, that expectation has completely failed. But the failure in 1111 is sought to be made up by anticipating a larger sum in 1112. The Financial Secretary expects Rs. 1,43,000 in 1112 from the Rubber Factory. That is how he makes up for his failure in anticipations in 1111.

Another item of assets that is included in the budget is the deposit in the Travancore State Aided Bank. With regard to this bank it must be the paramount duty of the Government to see that the interests of

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. A. S. Damodaran Asan.]

the persons who have reposed their confidence in the Bank on the basis of the lending of the name 'the Travancore State Aided Bank.' are protected. In addition to that larger duty, they are also bound to see that their investments are safe there. Now there are two sides, one side represented by the Directors who have clearly mismanged the affairs of the Bank and another side which opposes the Directors not exactly in the interest of the Bank as a whole but is catching hold of an opportune moment to overthrow the institution. And what are the Government doing? The Government have already declared that they have taken sides. I expect the Government to take up a position which would improve the condition of the bank without taking any side. It is the duty of any Government to see that meetings, ordinary meetings, which are to take place under rules, are allowed to be conducted. Instead of doing that, prohibition orders are passed. Sir, it is not any kind of person that goes and attends a shareholders' meeting. It is a specific body where known individuals attend the meeting; and in such a case I do not know why a District Magistrate should issue an order under Section 127 of the Criminal Procedure Code. If he is not in a position to see that such meetings are conducted in an orderly manner, he has only to abdicate his office and should not prohibit the meetings.

These are the three items of assets about which I wish to emphasise. (*President's first bell.*) I would have congratulated the Financial Secretary if he had managed to find his surplus by reducing the expenditure or increasing the revenues by tapping new resources. All that he has done is just to change the places of certain figures. The Government do not take into consideration the real condition of the cultivator.

It is the duty of any Government to see how trade is progressing. If we look into the figures of 1104 we find that our total trade with foreign countries was Rs. 21·13 crores with a balance of Rs. 2½ crores in our favour. That is, our exports exceeded our imports by about Rs. 2½ crores. In 1110, this total trade has been reduced to about Rs. 16. 29 crores and the balance in our favour has been reduced from 2½ crores to below half a crore. Has the Financial Secretary or the Government for the matter of that considered this? Is it not clear that when our exports have been reduced our national income has gone down? When our imports had been reduced, does it not show that our standard of life has gone down and that we are not able to purchase even our bare necessaries? Probably the Financial Secretary hears these figures for the first time. He should have explained what steps he is taking on these matters. Sir, the new appointment of Financial Secretary is made for laying down the financial policy and not for adding up and subtracting certain figures. That was done by our old Account Officer. So this aspect should have been taken into consideration. The condition of the agriculturist or the ryot is not to be ascertained by the pressure put by the Land Revenue Department upon

LIBRARY ARCHIVES Kerala Legislative Assembly

them and the amount of land-taxes collected. It is the indirect form of taxation, it is the taxes that are realised through indirect sources, that is the index of the condition of the cultivator. What does it show ? There has been a fall. Though the Financial Secretary expects a revenue of 6 lakhs from tolls in 1112, it has gone down to 5 lakhs when the tolls were auctioned. The Report of the Registration Department, from which the amount of transactions entered into between private individuals could be ascertained, shows that our total income has gone down. (*President's Bell.*)

MR. PUTHUPALLY S. KRISHNA PILLAI (*Quilon II*): Sir, the Financial Secretary has to be congratulated for what he really said and I would only make a few observations upon points about which he has not said anything, but on which he ought to have said something. I shall first draw attention to the highly eulogistic terms in which he has referred to the grand success of the Government in regard to the loan proposed and raised by Government. I am in perfect agreement with the Financial Secretary in thinking that, if there is any institution in the State to which you can safely entrust your money, any institution in which you can safely deposit your money, it is the State and there is nothing so solvent or secure as the State of Travancore. I have got my own reasons for thinking that this is correct. Its finances are the soundest · its conditions the safest. How is it that these results are achieved? It is not probably due to any other active policy on the part of Government. It is the net result of a series of activities carried on by the people of this State and in some cases encouraged and connived at by Government. There was one institution in the State, Sir,—I refer to the State Aided Bank—which had the State though not *in* it, had the State *about* it. The State's sympathy was behind it from its very inception. And at that time you or I or anybody in the State did not entertain any fear or any doubt as to the stability of the Bank or as to the stability of investing any amount in that Bank. Could anyone in this country now look upon that institution with such equanimity of mind as he did a couple of years ago? What is the reason for that? It is due to the policy originated by individuals and encouraged by the Government. I have been told, Sir, that Government do want to mend it and not to end it. I am afraid the policy appears tobe the reverse—to end it. The public confidence not only here but in British India in that institution has been considerably shaken. Communiques and counter-communiques, agitation in the press, prohibitory orders—these are the net results of the policy Government have adopted and prosecuted during the last two years. If the State-Aided Bank is not as stable or confident as before, how can we blame people if they do not deposit their money in it? What about other Banks? There is the Quilon Bank and the National Bank. If there is anything wrong about these institutions, it is only due to the pernicious methods of conducting *chitties*. I leave these institutions and proceed to another.

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr Puthup alli S. Krishna Pillai]

Even according to the Agriculturists Relief Bill which has passed the second stage in this House, the credit of Government has been made safe so that no individual need entertain any doubts about the financial stability of the country. If any amount has been deposited by anybody in the State, it is readily available. So far as the loan position is concerned, it is the safest security. I fully agree with the Financial Secretary that the people have to congratulate themselves upon the credit that the Government have obtained in respect of the loan.

But there is another aspect of the matter to which I wish to refer. I refer to the commercial undertakings embarked upon by Government. The Pallivasal Hydro-Electric Scheme, the biggest of our commercial undertakings, seems to make very little progress. During Mr. Austin's time, when the scheme was brought forward, Government stated that they undertook the scheme because there was a previous agreement with the Kanan Devan Hills Produce Company, under which Government were bound to take up this business within a particular period, and that any default committed by Government in the supply of power to this Company will deprive the State of all right to interfere in the matter. Sir, that period is long over; and year after year promise is made that the work is expected to be finished in the next six months. Are we not entitled to know what has become of that scare of an agreement? Are we not entitled to know why there is so much delay in finishing the work? On that matter I expected the Financial Secretary would have been kind enough to say a few words.

In regard to the Rubber Factory, it is said that there was no return last year as rubber was not sold. That will always be the case. Want of return will always be due to want of sale. In regard to the Kaolin Factory, are we to be put to the same confusion as we have in the Rubber Factory? Proceedings under Section 90 are started, cases are pending, and officers are dismissed. Your rubber is not being sold. Who knows if there is anybody in Travancore who can make two ounces of rubber solution if the expert leaves our service? Is there any mechanical expert for this factory? The statement of Sir Tej Bahadur Sapru is only too true that, if Government want business, they ought to be businessmen. It is only as a note of warning against a recurrence of what has taken place in the Rubber Factory that we are strongly making this suggestion in regard to the Kaolin Factory. My friend Mr. Kunjukrishna Pillai said that it is not a Government commercial undertaking. That was the case in respect of the Sugar Factory. You gave cash credit to the Sugar Factory.

MR. PACODE A. NARAYANA PILLAI (*Vilavankod*): Have not Government invested four lakhs of rupees in the Sugar Factory?

MR. PUTHUPALLI S. KRISHNA PILLAI (*Quilon II*): Yes. What has become of that institution? Government have advanced Rs. 50,000. Are we not entitled to know how that institution is being worked? The year before the last the Financial Secretary said that it was all sugar, and everybody's mouth was sweetened. How is that factory working now? We are entitled to be taken into confidence in regard to all these matters.

LIBRARY ARCHIVES Kerala Legislative Assembly

Another significant omission in the Financial Secretary's speech is this. Probably he may be more honest than his predecessors. In the absence of any reference to the much-advocated policy of rural regeneration, of industrialising the country, and such like fads, how is it that the Financial Secretary forgot the old Financial Secretary's speech just to give us some hope and encouragement about the expenditure of lakhs and lakhs of rupees on commercial ventures. The rural reconstruction scheme is being very vigorously pushed on. Absolutely no reference is made to it except the much-maligned Scindhi bulls and the continuance of the Trade Agent, at Bombay, and the Sales Depot at Trivandrum. Has the Financial Secretary allotted even a thousand rupees in addition, for the encouragement of the citizens, in regard to the regeneration schemes that we were for a long time referring to?

That is a very serious matter and something better and more encouraging ought to have been done. The Financial Secretary hopes that the revenue realisations of next year would be much more than what has actually been realised this year. On one point I agree with him. The refund of customs on Jaffna tobacco aggregating to the extent of Rs. 7 lakhs is realisable. That is a decent fund in itself. In regard to enhanced expectations on various other items by the Financial Secretary, I have very serious doubts.

In respect of income derivable from the administration of justice, one word will suffice to show that the Financial Secretary's anticipations are not realisable. We know that, when executions of decrees were stayed for a short period of three months in the first instance, and two or more months in the second instance, how much money could be realisable. The Financial Secretary also says that there are other deficits for collection by the judicial administration of the State If that be true, so far as legislative enactments are concerned, what expectations of the Financial Secretary will come to be fulfilled when the Debt Redemption Bill is passed into law? Could any suit be instituted? Could any application be filed? Could anything be realised in the shape of money in respect of administration of justice? All anticipations will fail.

Let us now look at the customs and excise revenues. I find certain measures are being adopted for checking illicit tapping and distillation. Whatever may be the measures adopted for that purpose, smuggling is still carried on on a very large scale and Government are deprived of very large revenues under that head. Fall in the excise head is due not to the feeling of intemperance on the part of countrymen but due to the wholesale and illicit distillation of arrack. I am quite sure that the Excise Commissioner will agree with me, rather he will not disagree with me, his report is ample evidence to support my statements. And yet the Financial Secretary will say that the continuance of the flying squad and such other preventive measures should be dispensed with for the next year. This sort of haphazard methods will not enable the Financial Secretary to realise his expectations under excise

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. Puthupalli S. Krishna Pillai.]

revenue and these cannot be considered as correct. There is another way of looking at the questions that will bring in more revenue. The European liquor that is being consumed in larger quantities should be replaced by our country liquor, the liquor that is manufactured in our place. The Excise Commissioner stated last year that a new system of distillation is being adopted. Whether that liquor is decidedly superior in quality or whether anybody is using it, the Excise Commissioner has not been able to tell us also the results achieved in that direction. In British India, properly constructed and most up-to-date stills are established for distillation of arrack. In the place of such well-equipped stills of British India, what is being done in Travancore is that we have the leaking stills at Nagercoil and at Vaikom. It is with these things that the Financial Secretary is so sanguine and he hopes that large expectations in the shape of revenue realisation could be achieved in the next year.

MR. P. CHIDAMBARAM PILLAI (*Commerce and Industry, South*): Sir, all my honourable friends who spoke this morning were emphasising the need for business-like action of the Government and everybody was talking about business, except the 'business' man (*Laughter*). As one representing Commerce and Industry, South, I may very well read to the House the opinion expressed by Sir Earnest Benn on the subject.

MR. M. SIVATANU PILLAI (*Tovala*): Sir, not a syllable could be heard on this side of the House.

MR. P. CHIDAMBARAM PILLAI (*Commerce and Industry, South*): This is what he has stated :—

> "Everybody is now talking business, except the busine s man. The politicians, the doctrianaires, the parsons, the long-haired youths and the short-haired maidens from the Universities, all have fixed views on industrial and commercial questions. Most of them are prepared to explain at a moment's notice how any piece of business should be conducted. From the smaller detail right up to the higher organisation of industry, there is nothing upon which they are not ready to express an opinion, the view expressed being, generally speaking, the more definite and exact in inverse ratio to the experience of its author. In all this discussion, the business man is silent."

And in Travancore the business man is in mourning. I may submit, Sir, as representing a constituency like commerce in Travancore, following Ruskin of old the word 'trade' should not be mentioned in polite society in Travancore. What he said was that 'trader' ; 'traditor' 'traitor' are but the same word. A trader is a traitor to the country; that is the view in Travancore. I met recently, as President of the South Travancore Chamber of Commerce, one of the greatest financiers in India, at Nagercoil. What he said was—it might look like a reflection on Travancore, even though I agree with him—that Travancoreans have no business instincts.

MR. K. R. ELENKATH (*Kalkulam I*): May I know the name of that gentleman ?

MR. P. CHIDAMBARAM PILLAI (*Commerce and Industry, South*): Mr. Birla.

LIBRARY ARCHIVES Kerala Legislative Assembly

That brings me to the plight of one portion of my constituency *viz.*, banking. In this connection, I shall briefly trace the history of banking in South India. For a long time, the principal bankers of South India were the Nattukottai Chetties. What happened to the finances in South India was, they walked away with the capital available in South India to Ceylon, Burma, Siam and Federated Malay States. The sum they took away from South India and invested in those places has been valued nearly at 800 crores of rupees. They took all these monies to such foreign places, so much so that, when they wanted to come back with the money, what happened to them was what is now happening to the Mankompu Brahmins in Kuttanad in Travancore. Not only did they find considerable difficulty in realising their investments in those regions, but some of them had even to flee from that country for fear of their lives and return to South India. Therefore, all the available money from South India is locked up outside. So much so, the money, which could be utilised for commercial and industrial purposes of our country, is all in Ceylon, Burma, Siam and Federated Malay States. The situation so created in the country has led to this. The Marwaris and Banias from the North India are now trying to conquer the money market of South India to-day. When my honourable friends complimented the Financial Secretary on the floatation of the recent loan, I was only thinking of the banking interests in Travancore and I may say that we are getting into the most dangerous hands. It is certainly a period of very great danger for Travancore. (*Cries of hear, hear*). I would have been glad about the loan only if the money had come from Travancore and Travancore alone (*Hear, hear*). Our Debt Redemption Bill has now made it impossible for any capital being raised from Travancore itself. Therefore, when like a coy maiden, as one of my friends put it, Travancore is slowly entering into the money market——

DEPUTY PRESIDENT: Without interrupting the member, I would point out that the Debt Redemption Bill is not quite relevant.

MR. P. CHIDAMBARAM PILLAI (*Commerce and Industry, South*): I shall not refer to that any further. When speaking of banking in Travancore, let us take the case of indigenous bankers familiarly known as the *Hundi* merchants. What they did was, about thirty years ago, they got money from South India, such as Tinnevelly, Coimbatore Salem, etc., where the money market was entirely in the hands of the Nattukottai Chetties. With these Chettiars going to Burma and other places, our *Hundi* merchants failed and they were replaced by joint stock banks. As regards our joint stock banks, I may say that, as I have stated once before, our banks have a great reputation outside Travancore. As a matter of fact, speaking on behalf of the mercantile community, I may say that these served and even now serve a very good purpose in Travancore. If there is one question upon which there ought to be no quarrel, it is as regards banking. Upon banking our prosperity in commerce depends; and upon commerce the prosperity of the country. What I was saying was, like a coy maiden, Travancore

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. P. Chidambaram Pillai.]

is entering into the money market. The suitor for the coy maiden is not available anywhere in South India. If you go through the figures for the loan, you will notice that the suitor comes mainly from North India. We are nowadays complaining about non-Travancorcans coming into the land. So then the danger is twofold; in the first place, it is non-Travancoreans, and secondly it is not even South Indians who are trying to capture Travancore industry and commerce and that very quickly. Therefore I don't see my way to congratulate the Financial Secretary on that score. I could understand if the loan had purely come from Travancore. In that case I would have congratulated him, but not under the present circumstances. Even if the money had come from South India, I would not have congratulated the Financial Secretary. As it is, we are now mortgaging our prosperity to the financiers of North India. That is really a bad omen.

Secondly, our banks are not capitalists; there lies the fundamental trouble. A capitalist should invest his money on the industries of the country and thus allow his money to remain locked up in that industry. This no bank can do. Such capitalists at present are not available in South India. There is absolutely nothing to be jubilant about the floatation of the loan, for enterprises which stand mortgaged to the outsider right at the outset.

Coming to the Budget proper, I have been asking myself, what is a budget after all? The thing is this. I have asked so many of my constituents, the merchants, the land-lords, the lawyers and such like people. I have asked them whether they have a budget for the next year. Has a lawyer got a budget for the next year? Has a landlord got it? No; how can he say what is going to happen tomorrow? Has a merchant got a budget? How can he foresee the events of tomorrow? Therefore, only people who have a fixed income, or anticipate a fixed income, that is, a joint stock bank or a Government or a Government servant who can have a budget. In that way, for our Government, the Financial Secretary is preparing a budget. I am not going to blame him at all. He is only placing or forecasting some accounts on paper, so much so, he is like an astrologer, casting our horroscope for the next year. And as an astrologer he is wishing better luck next year for us. No astrologer can be expected to say otherwise. (*Laughter*) When the Financial Secretary goes to borrow from outsiders, can he be expected to say that our country is a poor country, our country is financially backward and therefore do not advance any money. Any businessman will tell you, Sir, that, unless he puts on a pretentious appearance even when he is really in money difficulties, gets into a motor car and does such other things, nobody will advance him any money.

As regards our financial condition itself, we need not discuss it here because it is perfectly well known. We know where we are. My only request is that the outside world should not be made to know how poor we are. It has been sufficiently discussed for about the last three or four years how pitiful the conditions of the people are. Why should

LIBRARY ARCHIVES Kerala Legislative Assembly

we go further and say that the Government also are like that? That is not a good policy. As a matter of fact our old policy was to deal with fractions such as *mahanis*, *mundanis* and other fractions. Our coinage also such as fanam, chuckram, cash, will reveal our old financial condition. But when we got English education, we began to deal with millions and millions. We budget for 24 millions of rupees. We have no idea of it. Some years back a Nattukottai Chetty opened a Hundi shop in Chalai Bazaar. For the opening ceremony a few lakhs of silver rupees were heaped together. Several people were invited for the opening function and it is said that some of them fainted on the spot on the sight of this huge amount. They had not seen these lakh of rupees in a lump. We have no idea of 250 lakhs of rupees except on paper. Formerly we were dealing with small figures like fanams, chackrams and cash. Apparently our western education is responsible for our dealing with lakhs and lakhs of rupees without considering the chuckrams and cash to which we were used. That is the underlying fault in our present financial policy.

MR. KAINIKKARA M. PADMANABHA PILLAI (*Changanachery I*): Sir, it is with a deep sense of satisfaction on one hand and an equally extreme sense of discouragement on the other that I rise to speak about the budget before us. The bold policy Government have been following in the matter of financing constructive schemes fills me with joy. But, on the other hand, the luxurious expenditure on the administrative machinery evident on every page of the budget whispers despair. Even in the first Session of this Assembly, while discussing the budget for 1109, I pointed out that this is the occasion when Government should come forward with a courageous, creative and imaginative financial policy, when their accumulated surplus should flow out in the shape of nation-building activities calculated to supply labour and food to the stricken thousands at present and to add to the abiding prosperity of the country in future. It is intensely gratifying to note that such a bold and creative policy has been followed during the past years by Government. But even during that session itself, not only I, but almost every member on this side of the House, did emphasise and we have been all along emphasising, the necessity for effectively curtailing the expenditure on the administrative machinery. But our demands and requests have been complacently ignored and the administrative expenditure has gone up by lakhs and lakhs.

The years of affluence and prosperity that preceded the present period of economic depression resulted in ever-increasing surpluses. Expectations rose high and the actuals rose even higher still. In 1104 the rosy expectation of Rs. 234·70 lakhs was surprisingly surpassed by the actuals which stood at Rs. 251·16 lakhs resulting in a surplus of Rs. 23·37 lakhs. The administrative machinery got tipsy and in an unlucky moment forgot the fact that this glorious surplus owed its existence as much at least to the economy in expenditure as to the inflow of revenue. The result was that, while the expenditure for 1104 was Rs. 218·78 lakhs and the actual expenditure was only Rs. 211·80

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. Kainikkara M. Padmanabha Pillai.]

lakhs when they came to the next year, the estimated expenditure rose by Rs. 10·16 lakhs and the actuals by Rs. 12·51 lakhs, above those for 1104. In the meanwhile, the economic depression had set in and the total revenue began to decline. In 1105 it fell by Rs. 4 lakhs and the net result was that the year closed with a surplus of Rs. 6·92 lakhs only. But instead of learning a timely lesson, when preparing the budget for 1106, what they did was to push up the estimated expenditure by Rs. 3·83 lakhs even above that for 1105. Then came the stunning blow. Economic depression had pushed its claws deep into the body of the State. The total revenue fell down to Rs. 227·18 lakhs. And instead of the phenomenal surplus of Rs. 23·37 lakhs which dazzled the eyes of Government at the close of 1104, that year ended with a deficit of Rs. 12 23 lakhs. A net fall of Rs. 35·60 lakhs in two years!

From under the heavy blow that reeled the Government at the end of 1106, they appear to have not as yet regained their balance. Prompted on one side by the habit of luxurious expenditure that they had picked up during the years of affluence and pushed back on the other by the discouraging consciousness of reality, during these years they have been trying to white-wash their reckless lavishness by a show of superficial economy. From 1105 when the Government account closed with Rs. 170·13 lakhs, the sum began to dwindle down at an acclerated velocity till it made a sudden leap down by Rs. 18·66 lakhs in 1107 and threatened to make yet another leap by Rs. 23·516 lakhs in 1109 thereby bringing down the Government account to Rs. 71·22 lakhs, *i. e.*, making a reduction of a crore of rupees within four years. The then Financial Secretary, an orthodox Travancorean, jealous of his country's closing balance, felt that his budget was looking rather awkward. He gave one or two finishing touches. The Railway Sinking Fund became the General Reserve Fund and the major items under capital expenditure disappeared under Debt Heads. The budget became handsome again and the estimated closing balance of Rs. 96·15 lakhs became Rs. 118·93 lakhs in the revised estimate and the estimate for 1110 stood at Rs. 117·49 lakhs. But this magic did not become fact and the estimate of Rs. 117·49 lakhs fell to Rs. 108·22 lakhs. By this time the Financial Secretary also changed. The cumulative effect of these changes was the dawn of a new financial wisdom and the exposition of a new financial policy, namely, the policy of borrowing. Now we are having a third Financial Secretary. He has beaten all his predecessors. He has told us that, with the Rs. 50 lakhs we have borrowed, we will have a creditable cash balance of Rs. 46·84 lakhs and so our general financial condition is exceptionally strong and sound. He has also told us that the country can be proud of the fact that the closing balance at the end of 1112 will be Rs.-9·5 lakhs. From Rs. 170 lakhs at the close of 1105 it has to come to Rs.-9·5 lakhs at the end of 1112 but he says that our debt position is quite satisfactory. My only doubt is if our credit position also is equally satisfactory. Let me once again make it clear that I have absolutely no complaint against Government

LIBRARY ARCHIVES Kerala Legislative Assembly

for exhausting the surplus on nation-building activities. On the contrary that is the one point on which I do heartily congratulate Government. My complaint is against the regularly increasing expenditure on administration which every page of the budget will bear witness to. The lesson that the Government learned at the end of 1106 gave them their senses for about one year. In 1107 with a desperate attempt they managed to bring down the expenditure by Rs. 19 lakhs so that, in spite of a further fall of about Rs. 8 lakhs in revenue, the year ended with a surplus of Rs. 39 lakhs. But fortunately or unfortunately new sources of income arose. Cochin Harbour began to pay and a new duty was imposed on matches. These two items alone are expected to bring in 1112 an income of about Rs. 30 lakhs not dreamt of in 1107. It is expected that, with the help of these two items, the revenue for 1112 will be Rs. 245·92 lakhs, *i. e.*, Rs. 26·64 lakhs above that on 1107.

ADJOURNMENT MOTION.

DEPUTY PRESIDENT : We shall now proceed to the motion for the adjournment of the business of the House.

MR. T. P. VELAYUDHAN PILLAI (*Tiruvalla III*) : My object in asking leave of the House was to urge upon the necessity for reducing the school fees. The main reason has—

DEPUTY PRESIDENT : We are more concerned with the fortunes o the adjournment motion. So you do not propose to move the motion ?

MR. T. P. VELAYUDHAN PILLAI (*Tiruvalla III*) : I do not propose to move the motion.—

GENERAL DISCUSSION OF THE BUDGET.

MR. KAINIKKARA M. PADMANABHA PILLAI (*Changanachery I*) : I was saying that the two items of income namely that from the Cochin Harbour and the duty on matchss are expected to contribute about Rs. 30 lakhs in 1112 thereby bringing the revenue to Rs. 245·92 lakhs, that is Rs. 26·64 lakhs above that of 1107. But where does the expenditure stand ? It is Rs 17·96 lakhs above that of 1107 and Rs. 14·58 lakhs above even that for 1104 when we had the highest revenue on record. If this has been the result of the strenuous effort of Government at economy during the years of depression, may God save us from their economy! The present budget shows a surplus. This being the last budget which this House has to discuss, it is indeed gratifying to think that we are handing over a prosperous budget to our successors. But if we are to draw any reasonable conclusion from the experience we have had hitherto, we find no reason to share the optimism of the Financial Secretary. Instead of a surplus of Rs. 2,25,000 estimated for 1110, we had a deficit of Rs. 4,45,000. And though the budget estimate for 1111 was Rs. 242 lakhs, the revised estimate already stands Rs. 12,28,000 less than that. If, in spite of these unhappy experiences, the budget estimate for 1112 expects a revenue of Rs. 16,64,000 above the revised estimate for 1111, we have to be very cautious in being a party to this estimate.

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. Kainikkara M. Padmanabha Pillai.]

Sir, the fundamental mistake lies in the fact that the budgets are being prepared merely from papers, completely ignoring the condition of the country. The Financial Secretary may be thorough in all the papers before him. He may also be an expert in the matter of budget preparation. But unfortunately this vast country, with its large population, with its thousands of demand notices, with its crores of debts, this country, I say, lies outside the papers; and the Financial Secretary lies even outside the country. I wish to draw the attention of this House to one particular item only. During this year when the budget provides for many big amounts for nation-building activities, the amount allotted for communications under Public Works has reached the rock-bottom. We never had any year when the allotment was so small. A gentleman, coming from outside Travancore, would be surprised at the number of good road we have. But Travancore has a striking difference from countries outside. Here the whole country is as it were one village extending from one end to the other and we want roads not only between villages but everywhere, even between houses. When the Financial Secretary comes forward with Rs. 100 lakhs or even Rs. 200 lakhs for capital expenditure and Rs. 3 and odd lakhs for communications we have only to say that the Financial Secretary has not got the least knowledge of the real conditions of the country at large.

DEPUTY PRESIDENT: What is the position of the Financial Secretary in preparing the Budget? Is he a free agent?

MR. KAINIKKARA M. PADMANABHA PILLAI: (*Changanachery I*): By Financial Secretary, I only epitomise Government.

Sir, we find on the one side such meagre allotment for the primary needs of the public; and on the other side we find ever-increasing expenditure on the administrative machinery. These two things can go side by side only when the machinery is being worked by persons who are either absolutely ignorant of the real conditions of the country or are culpably callous towards the country's prosperty. In 1104 when we had the highest revenue on record we had a son of the soil as administrator of Travancore. Again in 1107 when by an ardent attempt at retrenchment the Government made a surplus in spite of the maximum fall in revenue we had again another son of the soil at the head of the administration. What we require is some one who is born in the country, who is of the country and who has to identify his future with the country's future we want such a one to save the country not only from the present economic problems but to lay out a programme which will bring abiding welfare and prosperity to the State.

MR. ANTONY GEORGE (*Nominated*): I congratulate the Financial Secretary on his surplus budget. But a surplus budget is not necessarily a good budget. In some cases, it might be the reverse of being good. Nevertheless a surplus budget is presented always with an amount of pride and self-satisfaction by the Government.

LIBRARY ARCHIVES Kerala Legislative Assembly

In the present case, the Government is in a position to show not only a surplus budget but also the results of a successful loan enterprise. Hence naturally the Government must feel supremely happy. That happiness is reflected in the face of the Finance Member. The Government by introducing this surplus budget might feel that everything is quite alright in the world about them. They might just feel so. But what about the people, especially the poor people who form the bulk of the population? How have this loan and this surplus budget affected them? The Indian money-lenders and adventurers might look upon Travancore as a happy hunting ground, as a land flowing with milk and honey. But what do they know or for that matter what do they care to know how the people are faring? We know what amount of suffering there is in the country. It is phenomenal and tremendous, to use the word of the Financial Secretary. But the pity is the Government seems to have not fully realised this sad fact or else this budget might have been written quite otherwise. Nor is there any provision in the budget for any bit of relief to the poor suffering agriculturist. He is left in the lurch. He is left to shift for himself. As far as the agriculturists are concerned, this budget is a budget of blank despair. They have to go on hoping against hope that the Government would ultimately come to their rescue. But would the Government come even ultimately to their rescue? That is the question. The success of the loan and the consequent desire on the part of the Government to stand well with creditors and money-lenders and the senseless noisy agitation set on foot by vested interests here seem to have rendered the Government rather halting and hesitating. The Government seem to look too much to a small section of a community and too little to the interests of the people at large. At last that is what the budget and the attitude of the Government with regard to the Agriculturists' Relief Bill would go to show.

The budget has estimated an expenditure of 48 and odd lakhs of rupees for education. That is one of the biggest items of expenditure. But the Director of Public Instruction seems to be still not satisfied. He is still lamenting for more funds. He would even like to set up again that pet-aversion of this House—the Deputy Director.

Meanwhile one is tempted to ask what about the reforms that were so loudly advertised. What was done with them? Excepting for the setting up of the useless and costly Divisional Inspectorates, nothing in fact has been done. The Director is simply tinkering with reforms.

The one great and necessary reform that the Government ought to have undertaken and given effect to was with regard to encouraging private agencies and welcoming them to come more and more to the field of education. If that were done, much of the cost now incurred for education could have been cut down, and sums thus saved could have been utilised for starting vocational and technical schools which are now so much wanted and which are held up for want of funds. But unfortunately the Government seem to be not in a mood to go forward with this reform. They are so very over-cautious. It would seem they feel that they

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. Antony George.]

have gone already too far and would like to retrace their steps. That is what their conduct would show. The present Director has become quite terribly famous for this suppressing activities directed towards primary schools. His hands have fallen heavy against these institutions. He kills them by scores. He is so very much concerned about over-lapping and proximity of schools. His anxiety in this matter is so very keen and overwhelming that it looks as if he considers schools on the same footing as toddy shops. What harm, I could not think, would come if some schools are located a bit close by? Does he fear lawless violence, brawls and drunken riots? If so it is the fault of education. It is only near toddy shops that such things happen. There is a lot of complaint about this elimination and suppression. The Christians, it is said, find it increasingly difficult to get new schools started and even to keep their old ones, for even they are menaced.

MR. A. S. DAMODARAN ASAN (*Mavelikara*): Are there not cemeteries close to the Churches?

MR. ANTONY GEORGE (*Nominated*): I am not talking of cemeteries.

MR. A. S. DAMODARAN ASAN (*Mavelikara*): What I wanted to know is whether there will not be cemeteries close by the Churches?

MR. ANTONY GEORGE (*Nominated*): I know there is a lot of complaint by Christians. Christians now find it is not very easy for them to get new institutions started and even to keep the old ones.

MR. K. PADMANABHAN (*Chirayinkil I*): How many schools were closed down like that?

MR. ANTONY GEORGE (*Nominated*): Some fifty or sixty of them.

I may also make mention of the recent circular, issued by the Education Department, prohibiting the use of schools for conducting prayers.

MR. N. E. VARUGHESE (*Tiruvalla I*): Was it published in the Gazette?

MR. ANTONY GEORGE (*Nominated*): I think it was.

Sir, it is a funny circular. The Director may be averse to praying. All right, let him not pray. But, why should he stand in the way of others, especially young children, praying? What is the harm, I ask, in school buildings being used for conducting prayers? They are being used for all kind of meetings and even for dramas.

DEPUTY PRESIDENT: Was the circular issued by the Director on his own motion or with the authorisation of Government? That is an important point.

MR. ANTONY GEORGE (*Nominated*): It is an amendment to the Education Code. The Director is certainly responsible for that.

Sir, the circular reveals a kind of mentality which is not quite wholesome It has a bad odour about it. It is such mentality that is

LIBRARY ARCHIVES Kerala Legislative Assembly

responsible for the kind of insubordination that we now find in the students of the present generation. We now hear of all sorts of assaults and scandals in schools, disgraceful scandals. All those are due to the lack of provision in the present Education Code for the formation and development of character in the pupils. In fact, Sir, I searched the Education Code with a view to find out whether there was any provision in it for the formation of character. There is not one word in it about this most important point. The report of the department is also silent about it. Much is said, in these documents, about the activities of the Director ; but absolutely nothing about the formation of character on the part of the pupils. Sir, I know the Director is a capable officer, and a brilliant scholar, a gentleman with exquisite manners and deportment.

DEPUTY PRESIDENT : As a matter of principle, is it quite proper on the part of a member to pat an officer on his back like that? (*Laughter.*)

MR. ANTONY GEORGE (*Nominated*): I know, Sir, that the present Director is above such things.

What I hear, Sir, is that, although the present Director is capable of much good, his activities are curbed by the fact that he is only an acting Director. They say an Ag. Director cannot do anything. Sir, acting officers are in a difficult position. They are like cinema stars whose only objective is to please the public. As long as these stars please the public, they are all right : once they are not able to do it they are done for. The position is exactly the same in the case of these acting officers also.

MR. A. S. DAMODARAN ASAN (*Mavelikara*): Is it the member's view that the defects that he now finds in the working of the Education Department will be remedied if the present Director is confirmed?

MR. ANTONY GEORGE (*Nominated*): I believe so.

Government should never keep any officer long as acting, especially the Heads of Departments.

MR. P. C. KURIYAN (*Kottayam I*): Is the member referring to all acting appointments?

MR. ANTONY GEORGE (*Nominated*): Officers should not be kept long acting; that is what I said.

Once again I thank the Financial Secretary for the budget that he has presented before us; only I should again request him to shed more light and hope for the poor people of the country.

MR. N. E. VARUGHESE (*Tiruvalla I*) : സർ, മുൻകാലങ്ങളിൽ അക്കൗണ്ടാഫീസർതന്നെ ഫിനാൻഷ്യൽ സിക്രട്ടറിയുടെ വേഷംമാറി ഈ സഭയിൽ വന്ന ധനകാര്യങ്ങളെ സംബന്ധിച്ചു പ്രസംഗിക്കുകയായിരുന്നുപതിവു്. എന്നാൽ ആ പതിവിനെ ഭേദപ്പെടുത്തി സാക്ഷാൽഫിനാൻഷ്യൽ സിക്രട്ടറി എന്ന ഉദ്യോഗസ്ഥൻ തന്നെ രചിച്ചപ്രസംഗമാ

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. N. E. Varughese]

ണ്ട് ഇയാണ്ടിൽ വായിച്ചത്. ഞാൻ അതു ശ്രദ്ധാപൂർവം കേൾക്കുകയും പലപ്രാവശ്യം വായിക്കുകയുംചെയ്തു. ഒരു സാക്ഷാൽ ഫിനാൻഷ്യൽ സിക്രട്ടറിരചിക്കുന്ന സേറ്റേറുമെൻറ് ഇപ്പോൾ കിട്ടിയ രൂപത്തിലല്ലായിരിക്കും, അതിൽനിന്നും ഭേദപ്പെട്ട പല സംഗതികളും അതിൽ കണ്ടേക്കാം എന്നു ഞാൻ വിചാരിച്ചിരുന്നു. എന്നാൽ എനിക്കു നിരാശയാണുണ്ടായത്. മുൻറിപ്പോർട്ടുകളെത്തന്നെ ചിലതുകമാറ്റങ്ങളും വാചക ഭേദഗതികളും വരുത്തി പകർത്തീട്ടുള്ളതല്ലാതെ അതിൽ കാര്യമായ യാതൊരു മാറ്റവും ഞാൻ കാണുന്നില്ല. അതിൽ ഞാൻ വളരെ മനസ്താപപ്പെടുന്നു. ഒരു ധനകാര്യസെക്രട്ടറിയുടെ ഉദ്യോഗം ഒരാം മുതലയായിട്ടു വഹിച്ചുകൊണ്ടിരിക്കുമ്പോൾ പുതിയ പുതിയ ആദായമാർഗ്ഗങ്ങൾ കണ്ടുപിടിക്കുകയും ഇപ്പോൾ നിലവിലിരിക്കുന്ന നികുതിഭാരത്തെ ലഘൂകരിച്ചു സാധുക്കളായ ജനങ്ങൾക്കുകൂടുതൽ ഉപദ്രവം ഉണ്ടാക്കാതെ രാജ്യഭരണം നടത്തികൊണ്ടുപോകുവാനുള്ള പദ്ധതികളും പ്രയോഗങ്ങളും നടപ്പാക്കത്തക്ക കണക്കുകൊടുത്തു ഗവണ്മെൻറിനെ ഉപദേശിക്കുകയും ആണല്ലോ ചെയ്യേണ്ടത്. എന്നാൽ നമ്മുടെ ഇപ്പോഴത്തെ ഫൈനാൽഷ്യൽ സെക്രട്ടറി ഈ സ്ഥാനത്തു പ്രവേശിച്ചിട്ടു വളരെകാലം ആയിട്ടില്ലാത്തതുകൊണ്ടോ, പറവൂർ മുതൽ കന്യാകുമാരിവരെയുള്ള തിരുവിതാംകൂർ ജനങ്ങളുടെ ആകമാനസ്ഥിതി മനസ്സിലാക്കാത്തതുകൊണ്ടോ, എന്തോ, യാതൊരു നവീനതാവും വരുത്താതെ കഴിഞ്ഞതരീതിയിൽതന്നെ ഒരു statement സമർപ്പിക്കുവാനേ അദ്ദേഹത്തിനു കഴിഞ്ഞുള്ളൂ ഭീണഭാരങ്ങളാലും തൊഴിലില്ലായ്മയാലും ഭയങ്കരങ്ങളായ രോഗങ്ങളാലും വലയുന്ന ജനങ്ങൾ, തങ്ങൾക്കുള്ള രക്ഷാമാർഗ്ഗങ്ങൾ ആരു്, ഏതു വിധത്തിൽ നൽകുമെന്ന ഉൽക്കണ്ഠയോടുകൂടിയാണു നോക്കിപ്പാർക്കുന്നതു. വളരെ അത്യാശയോടുകൂടിയാണ് അവർ ധനകാര്യദർശിയുടെ പ്രസംഗം വായിക്കാനിടയുള്ളതും. എന്നാൽ അവർക്കു ആശ്വാസം നൽകുന്നതോ, അവരുടെ സമഷ്ടിയായ സുഖത്തെ ഏതെങ്കിലും വിധത്തിൽ സ്പർശിക്കുന്നതോ ആയ ഒറ്റക്കാര്യംപോലും ഈ കൊല്ലത്തെ ബഡ്ജറ്റിൽ ഇല്ലെന്നു വ്യസനസമേതം പ്രസ്താവിക്കേണ്ടിയിരിക്കുന്നു. അതിനായുള്ള ഒരു സദുദ്യമംപോലും ഫിനാൻഷ്യൽ സിക്രട്ടറിചെയ്തിട്ടില്ല. തിരുവിതാംകൂറിലെ ജനസംഖ്യ ൪൦ ലക്ഷത്തിൽ പരമാണ്. അതിൽ ൪ ൫ ലക്ഷത്തിൽ അധികംജനങ്ങളും ഏകദേശം ഉൾനാട്ടുകളിലുള്ള നാലായിരം ഗ്രാമങ്ങളിലായി താമസിക്കുന്നവരാണ്. നഗരവാസികൾ ഏകദേശം ൫ ലക്ഷത്തിൽ ചിലപാനം മാത്രമെയുള്ളൂ. ഇന്നത്തെ ബഡ്ജറ്റിൽ ഈ നാല്പത്തഞ്ചു ലക്ഷംജനങ്ങളുടെ ആവശ്യങ്ങ

LIBRARY ARCHIVES Kerala Legislative Assembly

LIBRARY ARCHIVES Kerala Legislative Assembly

ർക്കായി എത്രലക്ഷംരൂപയാണ് കൊള്ളിച്ചിരിക്കുന്നത്. ഞങ്ങളുടെ നാട്ടിൽ നല്ല സ്ഥിതിയിലിരിക്കുന്ന വീട്ടുടമസ്ഥന്മാർ വലിയ സദ്യനടത്തുമ്പോൾ പുറത്തേക്ക് ഇല കൊടുക്കുക എന്നൊരു സംപ്രദായം നടത്തുന്നുണ്ട്. ധനികന്മാരെയും യോഗ്യന്മാരേയും മറ്റു വീട്ടുകാരേയും ഒക്കെ വിളിച്ചുവരുത്തി വിലിയ വിഭവങ്ങളോടുകൂടി സദ്യകൊടുത്തതിനുശേഷം ബാക്കിവല്ലതും ഉണ്ടെങ്കിൽ വല്ല സ്ഥലത്തും, തോന്നുന്ന സമയത്തും പുറത്തു നിൽക്കുന്ന സാധുക്കൾക്കു കൊടുക്കുന്നതിനായി ഇലയിടുന്ന സമ്പ്രദായത്തിനാണ് ''പുറത്തേക്കു ഇലഇടുക'' എന്നു പറയുന്നത്. അതായതു വരത്തരും അഗതികളും ആയുള്ളവർക്ക് ഒരു 'സൌജന്യം' ചെയ്യുക എന്നാണു അതിന്മേൽ വീട്ടുടമസ്ഥനുള്ള ഭാവനം. ഈ ഭാവനയാണ് ഈ നാൽപത്തഞ്ചു ലക്ഷം ജനങ്ങളുടെ കാര്യത്തിൽ ഗവണ്മെൻറിനുള്ളതെന്നു ഈ ബഡ്ജറു കണ്ടാൽ തോന്നിപ്പോകും. ഇന്നു ഉൾനാടുകളിൽ താമസിക്കുന്നവരുടെ സ്ഥിതിയും അവരുടെ പ്രയാസങ്ങളും ശരിയായി അറിഞ്ഞിട്ടുള്ള ഉദ്യോഗസ്ഥന്മാർ വളരെ ചുരുക്കംപേരേയുള്ളൂഎന്നു എനിക്കു ധൈര്യമായി പറയാൻ കഴിയും. സർക്കാർഉദ്യോഗസ്ഥന്മാർ സർക്കീട്ടു ചെയ്യുമ്പോൾ ഒന്നാംക്ലാസ്സ് ടി. ബി. എവിടെ ഉണ്ടെന്നു അന്വേഷിച്ചു അവിടെ ചെല്ലും. വല്ല ഇഷ്ടന്മാരെയും വിളിച്ചു വല്ലകാര്യങ്ങളെയും പറഞ്ഞു ചോദിച്ചു എന്നുംവരാം. ഇത്രമാത്രം ചെയ്യുന്നതല്ലാതെ വൻപിച്ച സർക്കീട്ടുപടി വാങ്ങുന്ന ഉദ്യോഗസ്ഥമേധാവികൾ ആരുംതന്നെ ഉൾനാടുകളിൽ സഞ്ചരിക്കയോ, അവരുടെ ആവശ്യങ്ങൾ ശരിയായി മനസ്സിലാക്കുകയോ ചെയ്യുന്നില്ലെന്നുള്ള കാര്യം ഞാൻ വളരെ വ്യസനത്തോടുകൂടി ഇവിടെ പ്രസ്താവിച്ചുകൊള്ളുന്നു. ഇനി, അഥവാ, വല്ല ഉദ്യോഗസ്ഥന്മാരും ഒഴിയുന്നതിനു നിവൃത്തിയില്ലാഞ്ഞിട്ടു വല്ല അഞ്ചൽ ആഫീസുകളോ, ആശുപത്രികളോ പരിശോധിക്കുന്നതിനായി അത്യുൾഭാഗത്തുള്ളതായ ചില ഗ്രാമങ്ങളിൽ ചെന്നാൽ അഞ്ചു മിനിട്ടിൽ കൂടുതൽ അവിടെ നിൽക്കുകയില്ല. എന്റെ അനുഭവം അതാണ്. കഴിഞ്ഞകൊല്ലത്തിൽ ഞാൻ താമസിക്കുന്ന സ്ഥലത്തിനടുത്തുള്ള ഒരുഗ്രാമത്തിലെ ആശുപത്രി പരിശോധിക്കാനായി ഡർബാർഫിസിഷ്യൻപോകുന്നതു ഞാൻ എന്റെ പുരയിടത്തിന്റെ ഒരറ്റത്തുനിന്നു കണ്ടു ഞാൻ വേഗത്തിൽ നടന്നു മറ്റേ അറ്റത്തു വന്നപ്പോഴെക്കും, അതായതു് ഒരു പത്തു മിനിട്ടു സമയംകൊണ്ടു് — അദ്ദേഹം തിരിച്ചു പൊകുന്നതുംകണ്ടു.

RAO SAHIB S. PARAMESVARA AIYAR (*Nominated*) ആ ഉദ്യോഗസ്ഥൻ പരിശോധനക്കായിട്ടാണു വന്നതെന്നു മെമ്പർ അറിഞ്ഞതെങ്ങിനെയാണു്?

MR. N. E. VARUGHESE (*Tiruvalla I*): എനിക്കറിയാം. പരിശോധനക്കായിട്ടാണ് വന്നതെന്ന് എനിക്കു പിന്നീടുള്ള അന്വേഷണം മൂലം ബോദ്ധ്യം വന്നിട്ടുണ്ട്. ഒരു പക്ഷെ സഞ്ചാരപ്പടി വാങ്ങിക്കാനുംകൂടിയായിരിക്കാം. ഗവണ്മെൻറു നിശ്ചയിച്ചിട്ടുള്ള ചട്ടങ്ങൾക്കുകൂടി എതിരാണ് ഇവരുടെ ഇത്തരം സർക്കീട്ടുകൾ. ഒരു ഉദ്യോഗസ്ഥൻെറ സർക്കീട്ടു കാര്യപരിപാടി മുൻകൂട്ടിത്തന്നെ ആ ഉദ്യോഗസ്ഥൻ സഞ്ചരിക്കുന്ന സ്ഥലത്തുള്ള ആളുകളെ അറിയിക്കണമെന്നു വ്യവസ്ഥയുണ്ട്. അങ്ങിനെ ചെയ്യാതെ ഒരു സർക്കീട്ടു ചെയ്താലും അതുകൊണ്ട് യാതൊരു പ്രയോജനവും ഇല്ല. ഉൾനാട്ടുകാരുടെ അവസ്ഥകളെപ്പറ്റി അന്വേഷിക്കുന്നതിനും അറിയുന്നതിനും ഇവർക്കു മനസ്സു തന്നെയില്ല. ഉൾനാട്ടുകാരുടെ ആവശ്യങ്ങളെപ്പറ്റി ഞാൻ ഇപ്രകാരം പറയുമ്പോൾ ഈ തിരുവനന്തപുരം പട്ടണത്തിൽ ഇപ്പോൾ ചെലവാക്കുന്ന അമിതമായ സംഖ്യയുടെ കാര്യവും എൻെറ ഓർമ്മയിൽ വരുന്നു. തിരുവനന്തപുരം പട്ടണത്തിൽ റോഡ് വിസ്തീർണ്ണപ്പെടുത്തുന്നതിനും ടൌൺ പ്ലാനിംഗിനും മറ്റുമായി പത്തു ലക്ഷം രൂപയോളം വരുന്ന ഒരു വലിയ സംഖ്യ ബഡ്ജറ്റിൽ കൊള്ളിച്ചിരിക്കുന്നു. ഏതുരൂപത്തിൽ ഇവ നിർവഹിക്കണമെന്നുപോലും നിർണ്ണയിച്ചിട്ടില്ല. എങ്കിലും രൂപ ഈ പത്തുലക്ഷം ബഡ്ജറ്റിൽ കൊള്ളിക്കുന്നതിനു യാതൊരു മടിയും ഉണ്ടായില്ല. അഞ്ചും എട്ടും വർഷങ്ങളായി പണിക്ക് അനുവാദം നൽകുകയും ചില കൊല്ലത്തെ ബഡ്ജറ്റിൽ തുക അനുവദിച്ചിട്ടും അതു പണി ആരംഭിക്കാതെയും ഇരിക്കുന്ന അനവധി റോഡ്കളും തോടുകളും ഉൾനാടുകളിൽ ഇന്നും അപൂർണ്ണമായും ഉപയോഗശൂന്യമായും കിടക്കുന്നു. ഏതാനും പണികൾ നടത്തിയതിനുശേഷം പണമില്ലാത്തകാരണത്താൽ അതു മുഴുവനാകാതെ കിടക്കുകയാണു ചെയ്യുന്നത്. ഇതെപ്പറ്റി ജനങ്ങൾ സങ്കടം പറയുമ്പോൾ "പണമില്ല, ഖജനാവു വളരെ ശുഷ്കിച്ചുപോയി. അതുകൊണ്ട് ഇതു നിർവഹിക്കുന്നതിനു യാതൊരു നിവൃത്തിയുമില്ല." എന്നാണു ഗവണ്മെൻറു പറയുന്ന മറുപടി. തിരുവനന്തപുരം പട്ടണത്തിൻെറ അലങ്കാരത്തിനുവേണ്ടി മാത്രം ചെലവാക്കാൻനിശ്ചയിച്ചിരിക്കുന്ന ഈ പത്തു ലക്ഷം രൂപ അനേകവർഷങ്ങളായി ഗവണ്മെൻറ് അനുവാദം കൊടുക്കുകയും ഏതാനും ചെലവുചെയ്യുകയും ചെയ്തതിനു ശേഷം മുഴുവനാക്കാതെ കിടക്കുന്ന പണികൾക്കായി വിനിയോഗിക്കുവാൻ ബഡ്ജറ്റിൽ കൊള്ളിക്കുകയായിരുന്ന ഗവണ്മെൻറിൻെറ ചുമതല.

LIBRARY ARCHIVES Kerala Legislative Assembly

സർ, ഇപ്പോൾ ൪൦ ലക്ഷം രൂപാ ഗവണ്മെൻറു കടം എടുത്തിരിക്കുന്നു. ആവശ്യംകൊണ്ടു മുട്ടുന്ന അവസരത്തിൽ ജനങ്ങളെ ബുദ്ധിമുട്ടിപ്പിക്കാതെ ഒരു തുക കടംവാങ്ങിക്കുകയും കുറെ കൊല്ലങ്ങൾകൊണ്ടു് അതു തിരിയെ അടച്ചു തീർക്കുകയും ചെയ്യുന്ന നയത്തെ ഒരിക്കലും ആക്ഷേപിക്കത്തക്കതല്ല. എന്നാൽ ഗവണ്മെൻറു ഇപ്പോൾ എടുത്ത കടം ഇന്നയിന്ന ആവശ്യങ്ങൾക്കാണു വിനിയോഗിക്കാൻ പോകുന്നതെന്നുള്ള വിവരം ജനങ്ങളെ അറിയിക്കേണ്ട കടമ ഗവണ്മെൻറിനുണ്ടെന്നു ഞാൻ വിചാരിക്കുന്നു. പക്ഷെ, ബഡ്ജറ്റു പ്രസംഗം നോക്കുന്നതായാൽ അതെപ്പറ്റി ഒന്നും തന്നെ ശരിയായി അറിയുവാൻ നിവർത്തിയില്ല.

MR. J. M. JOSEPH (*Nominated*): Sir, this year's budget, in my opinion, presents some good features, so much so that it has been applauded in certain quarters as marking a new era in the State of Travancore. One of such important feature is that it is a surplus budget for which the Financial Secretary deserves some praise indeed. But I wonder what magic he has used to show a surplus budget in these hard times. In my place a certain friend of some worth and education, light and leading, remarked that it was a surprise that has been sprung upon the public that the Financial Secretary of the Government should put forward a surplus budget before the public and before this Assembly. Looking through the whole allotments, Sir, I get the feeling that they have been so distributed as to benefit the urban population more than the rural. I was wondering whether it was not robbing Peter to pay Paul, whether it was not, so to speak, robbing rural Peter to pay urban Paul. I will illustrate this. There is a figure of Rs. 3,000 in the Co-operative Department as grant given to the Supervising Unions working in the State. Sir, that figure seems to be permanent, eternal and unalterable as the laws of the Medes and the Persians. Last year it was Rs. 3,000. The year before the last it was Rs. 3,000. And what is this for ? It is for giving grant to these Supervising Unions which have supervision over village co-operative societies affiliated to these unions. These village co-operative societies, as we all know, Sir, are working in the interests of the villagers, and the interest the Government have in the welfare of the villages had better be imagined than described from this niggardly grant.

Again, I come to the figure represented as income under Land Revenue. Well, to speak about land revenue, the facts about this that have been presented have become so hackneyed that I am afraid my words will scarcely carry any weight In Nanjinad, where I come from, the people are groaning under heavy taxation. A friend of mine was saying the other day that all his lands which are not cultivated have also been assessed to tax, so much so that even fallow lands are being charged tax. Meetings have been held, agitation was carried on, and representations were made to Government about the suffering of the ryots and the agriculturists in that part of Travancore. But I am

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. J. M. Joseph.]

sorry to say that it is a cry in the wilderness so far as Government is concerned. It is like water on duck's back and no effect whatever has been seen. Now I ask – is this the interest that Government should show towards the needs of the villagers? Have all the villages got wells? Have all the villages got proper roads, maintained properly year after year? Certain roads, for example, when people clamour for them, are given; but they are not maintained. Wells are given, but they are not properly maintained. This applies especially to the depressed class villages. All these produce in me the feeling, Sir, that the interest and needs of the villagers do not receive adequate attention at the hands of Government. Sir, while pleading for them, probably I may be guilty of flogging a dead horse. But as I said before, it has become hackneyed; but yet I join in the chorus that greater attention must be paid towards the amelioration of the condition of the poor sufferring villager.

I come now to the one question of the amelioration of the depressed classes. Sir, the Government should pursue a more liberal, aggressive, and active policy towards these poor, fallen people. It is true that there is some sympathy at the top. To quote one example, when I represented certain matters to the Land Revenue Commissioner, he had the goodness to come all the way from Trivandrum to visit a village in the south occupied by the depressed class people But what happened? He was sympathetic, but there were others who stood in the way. I should say that this flow of sympathy has not got strength and force to go sufficiently far to reach the people. This milk of sympathy somehow or other evaporates during its flow between the place of origin and the place of destination

I want to bring to the notice of Government the fact that the Registrar promised Group Secretaries for the depressed class societies. He also promised special Inspectors for these societies. When the reorganisation came, we were all looking forward to very many good things. But what has happened? Well, that post of Group Secretaries has been abolished and when the Registrar is asked about it, he says 'What am I do' and throws the responsibility on the Government. Probably he has sympathy. But his hands are tied. What will he do if Government do not accept his recommendations? I do not know whether he has made his recommendations at all or whether he has recommended and Government vetoed his recommendations. Whatever that be, I believe, Sir, that a progressive, active, aggressive policy should be pursued towards the poor people. Sir, last year ten thousand rupees was allotted for the purpose. I do not know how much of it has been spent. It is all there on paper. If wells are given to the people, they are not maintained. If roads are given, they are not maintained. Somehow or other, there is something wrong somewhere. So I take this opportunity to bring this to the pointed attention of Government that they will have to show some more active sympathy for these poor fallen people.

LIBRARY ARCHIVES Kerala Legislative Assembly

Then again, with regard to them, I have to say one or two things in relation to the Education Department. One of the previous speakers was referring to a certain circular which, I say, is going to hit the depressed class people, if given effect to. I refer to the circular which prohibits schools being held in churches, in places of public worship or school buildings being used as places of public worship or prayer houses. I am at a loss to know the real object of this circular. What harm is there in school buildings being used as prayer houses at times when school is not in session? Is the worship of God a sin? Will it contaminate these buildings or make it unhygienic? On the contrary, it will invest the place with some sacredness. Sir, if this circular is given effect to, it will mean the extinction of some more schools in addition to those schools which have gone out of existence on account of the application of the principle of overlapping. And most of these schools are the schools in the depressed class villages.

We know that missionary bodies are working for the amelioration of these people. If this circular, namely, that schools should not be used as prayer houses is to be given effect to, the result may be that missionary bodies, who have also a share in the economic depression and who are handicaped for funds, will have to close the schools. Already many schools have been closed for overlapping, as one-class schools. If Government will not stop giving effect to this circular, I assure the Government that it is these people who are going to suffer. The circular is going to deal a blow at the education of these poor downtrodden people. I would earnestly request the Director, who has been sympathetic enough to provide scholarship recently for the depressed class students in the college, will please stop and look into the consequences of this circular to the education of the depressed classes.

In regard to the vocational schools, I congratulate the Director in opening them. I would request him to extend that experiment to two schools, one in the north and one in the south. There are excellent private schools in these places who could be given a chance to experiment in this matter. With these words, I resume my seat.

MR. N. ABDUR RAHIMAN SAHIB (*Nominated*): Sir, the budget as framed by the Financial Secretary shows a surplus of about Rs. 3½ lakhs. But whether it is going to end in surplus or deficit cannot be said with any amount of certainty. Previous history tells me that it may not end in a surplus. All the same, it is a very satisfactory budget, coming as it does after a series of deficit budgets. In this respect it may be said that it marks a new era in in the history of Travancore. A record grant of about Rs. 114 lakhs has been allotted for works of public utility. There is a provision of nearly Rs. 28½ lakhs for the completion of the Pallivasal Hydro-Electric Scheme and another provision of Rs. 18½ lakhs as the State's share for the fourth stage of the Cochin Harbour Works. These are some of the noteworthy features of the budget presented before the House.

LIBRARY ARCHIVES Kerala Legislative Assembly

[Mr. N. Abdur Rahiman Sahib.]

The Revised Estimate of 1111 shows a deficit of about Rs. 5 lakhs against an anticipated deficit of nearly Rs. 7 lakhs in the original estimate. This shows that an attempt has been made to curtail expenditure as far as possible.

It is gratifying to note that borrowed capital is proposed to be utilised for productive works.

Under Education, it is pleasing to note that provision is made for opening some vocational schools and for providing higher education in Sanskrit in the local Arts College. In this connection, I would bring to the notice of Government the necessity of providing facilities for Arabic study also in the College. Various representations have been made to the Director and the Government pointing out the necessity for affording facilities to Muslim students in Arabic who pass the School Final and enter Colleges for pursuing their studies in Arabic. Nothing has been done till now. May I take this opportunity to remind Government once again that that need is keenly felt by many of the Muslim students? Arabic is as important as Sanskrit and it is high time that some provision is made for appointing Arabic Lecturers in the local Colleges.

The allotment for the purchase of stud bulls for the improvement of live-stock and promotion of better farming through agricultural schools is no doubt a good measure.

So far as the Medical Department is concerned, I note that there is a scheme for the training of midwives, the combating of epidemics, extension of accommodation in the Ayurveda Hospital, etc. It is not enough, as pointed out by one or two honourable members, if accommodation is made for a few more beds in the local Ayurveda Hospital. The Ayurveda Department requires a more sympathetic treatment; people are having more faith in the Ayurveda system of treatment. I can say from personal experience that many of the patients who resort to the local Ayurveda Hospital return disappointed for want of accommodation. It is not enough if three or four more beds are provided there. There must be enough accommodation for all the patients who go to the Hospital for treatment as in-patients. An honest attempt should be made for research work being conducted in this Department. For want of funds and for want of accommodation, the needs of the public are not properly attended to. I would request that Government may be pleased to bestow more attention on this matter of accommodation and thereby afford convenience and comfort to the sick people.

DEPUTY PRESIDENT When you say accommodation, I believe, you include food also?

MR. N. ABDUR RAHIMAN SAHIB (*Nominated*): Yes. Patients must have enough beds, they must have food and they must be given medicine.

LIBRARY ARCHIVES Kerala Legislative Assembly

Coming to the Industries Department, it is seen that provision is made for ceramic works, for the rubber factory, etc. One or two years ago there was a proposal to open a paper factory somewhere near Alwaye. I do not know what has happened in regard to that proposal. There is nothing in the Financial Secretary's speech about that. The public are eager to know what has happened in regard to that.

Recently we heard that Government were seriously thinking of instituting an enquiry into the question of Cottage Industries. The organisation of Cottage Industries will go a long way in improving the economic condition of the people especially in the rural parts of the State. I would draw the attention of the Government to this matter also.

One new canon of financial policy enunciated by the Financial Secretary is in regard to the departmentalisation of finances. In a most progressive state, where all the departments are equally well developed, it may be a sound policy to be adopted. But, in Travancore, where some of the departments are deplorably lacking in development and progress, the adoption of this canon will work serious hardship, nay, even stop the working of these departments. This system is in vogue in Hyderabed and we do not know whether we can adopt that. Until all our departments have grown to their full stature, this canon should not be adopted.

DEPUTY PRESIDENT : You think that, in Hyderabad, the departments are more fully developed ?

MR. N. ABDUR RAHIMAN SAHIB (*Nominated*) : The system is working there. How far it has been found satisfactory is not known.

MR. PACODE A. NARAYANA PILLAI (*Vilavankod*) : Here also, will it not work better if there is an Executive Council ?

DEPUTY PRESIDNET : It is a hypothetical question.

MR. N ABDUR RAHIMAN SAHIB (*Nominated*) : What is required is efficient and intelligent financial control as a result of continuous checking of expenditure, That alone will mend matters. If some departments are allowed free grants and others are starved, these latter will be greatly prejudiced.

DEPUTY PRESIDENT : Is there anybody else to speak ?

MR. M. SIVATANU PILLAI (*Tovala*) : Sir, I may be given some more time because I notice other members are not speaking to day.

DEPUTY PRESIDENT : You cannot say that because other members have not risen up there will be nobody else to speak. If you make your request for more time, it will be considered when it is necessary.

MR. PUTHUPALLI S. KRISHNA PILLAI (*Quilon II*) : Other members who had more to say but could not say for want of time, may also be given some more time.

DEPUTY PRESIDENT : In other words you want to reduce the statement of Mr. Sivatanu Pillai to a *reductio ad absurdum*,

LIBRARY ARCHIVES Kerala Legislative Assembly

MR. M. SIVATANU PILLAI (*Tovala*) : I will not allow myself to be considered like that.

MR. A. THANU PILLAI (*Trivandrum—Rural*) : Then it will mean an absurdity.

DEPUTY PRESIDENT : *Reductio ad absurdum* is a well known expression.

MR. M. SIVATANU PILLAI (*Tovala*) : Surely well known to Mathematicians only, as *reductio ad absurdum* is a method of proving a proposition.

DEPUTY PRESIDENT : Mr. Sivatanu Pillai will please confine his remarks to the budget. I would also request him to speak louder so that members on this side of the House could well hear him.

MR. M. SIVATANU PILLAI (*Tovala*) : Yes Sir. At present, I do not know whether I should congratulate the Financial Secretary or to keep quiet, leaving him alone. The other day when the Financial Secretary completed his speech I was wondering how he was able to bring out a surplus budget. Of course the speech took nearly one hour for the mere reading of it. That does not mean that the budget should necessarily be a surplus budget.

DEPUTY PRESIDENT : Mr. Sivatanu Pillai cannot be heard on this side of the House.

MR. M. SIVATANU PILLAI (*Tovala*) : I shall speak to the best of my voice.

When I perused the budget, I was able to find that the surplus is only a paltry sum of Rs. 3,29,000. How that surplus was gathered, whether by way of cutting down expenditure unnecessary and extravagant or anything of the kind, could not be seen from the budget speech.

When I was trying to find out the solution for the surplus; the Chief Engineer came to my rescue. At the close of the Financial Secretary's speech, the Chief Engineer, Mr. Truscott, sighed a sigh of relief and his face brightened up. Then I understood that he is not given much to spend next year and correspondingly he has less work to do next year. He was brought down to Travancore as an Hydraulic expert. Fortunately for him he has nothing to do with hydraulic schemes. When he, as Chief Engineer, should have control over the P. W. D as a whole most of the functions were taken away from his jurisdiction. We have a water works expert and a town planning expert; and various other experts are expected to come into being. Those experts, instead of being under the control of the Chief Engineer, are made independent. Somehow these experts are allowed to function independently of the Chief Engineer, at the same time continuing the Chief Engineer in office. He is styled for the moment Chief Engineer, Roads, Buildings and Irrigation with less work. Jolly good fellow as Mr. Truscott is, he is going to have a leisurely time of his job next year also. This is how the budget is made a surplus one.

LIBRARY ARCHIVES Kerala Legislative Assembly

The present budget among other things forecasts the next year to be a prosperous one according to the words of the Financial Secretary. There is a very small surplus; and let me analyse it. I know that a budget gives an index of the condition of the country; some people will say that a surplus budget will show the wrong way. Some others will say that a deficit budget will correctly give an index of the state of affairs. I am of the latter opinion. The Financial Secretary flamboyantly brings forward a surplus budget after a period of two or three years; and he seems to take credit for it. I view it with some sort of suspicion. The figures are only inflated and do not portray a healthy state of affairs. I will compare the figures with the elephantiasis obtaining in Shertala which is only a development of disease. I am not able to put it in a more emphatic way. This surplus is made up of an expectation of Rs. 2½ lakhs from land revenue, about Rs. 7 lakhs and odd by way of refund of customs from Jaffna tobacco which is only a windfall and these windfalls are taken into account in exhibiting a surplus budget. That is not good policy and a correct financial policy. When these two facts are eliminated, there could not be a real surplus budget.

In this connection, I would speak a word about the recent loan floated by Government. I would warn in this connection that they need not be elated about the over-subscribed nature of the Government loan; and no wonder it is over subscribed. I rely for the explanation for this on the same as found on page 17 of the budget speech. It reads thus: "The rate of interest has now fallen to a point incredibly low and capital is available at a very cheap rate".

It is seen that the capital is cheap and the rate of interest is incredibly low. That again is supported by the fact that the savings bank interest is now at a reduced rate in British India *i. e.* 2 per cent. Under such conditions, if a loan is attempted to be floated even by the Negus of Abyssinia, who is now in England without an Empire, with the help of League of Nations, there will be no difficulty at all. That being so, it is no surprise how the loan was over-subscribed to about six times the actual requirements. In British India national debts are being repudiated by so powerful a body as the National Congress. In spite of such threatening circumstances, British Indian Government loans are over-subscribed in the twinkling of an eye. Credit is very low, so money flows into apparently safe places.

Another point I wish to refer to in this connection is this. Still further down in the same page the Financial Secretary says:— "All over the world, economic planning is regarded at present as the main objective of modern state-craft. As, in this mundane world, assets cannot be created by the mere waving of a magic wand, the next best thing is to seize the present opportunity to investigate and complete all possible deserving schemes". Clearly the expression as a whole, namely, "created by the mere waving of a magic wand the next best thing" is bad English. Otherwise it would mean that first best thing is to wave a magic wand and the next best thing is to seize the present opportunity.

LIBRARY ARCHIVES Kerala Legislative Assembly

DEPUTY PRESIDENT: Which is bad English ?

MR. M. SIVATANU PILLAI (*Tovala*): As in this mundane world assets cannot be created by a magic wand etc., etc. These connote a peculiar sense not within the reach of common understanding. What is this? Waving a magic wand is according to the Financial Secretary the first best thing. Does magic wand create asset anywhere either in this world or in the other world? Has the Financial Secretary seen the other world to say this?

DEPUTY PRESIDENT: That is not putting it properly.

MR. M. SIVATANU PILLAI (*Tovala*): It is only in that manner I have to criticise that expression. I would simply ask my friend to go back and come with his experiments in that region.

DEPUTY PRESIDENT: I should regard it as rather objectionable to speak in that strain. Mr. Sivatanu Pillai will proceed with his speech. Further the expression "mundane world" clearly conveys the meaning.

MR. M. SIVATANU PILLAI (*Tovala*): Anyway I do not know the other world. What I wanted to say was this. In the category of economic planning, let me take the Rubber Factory first, it is said that nothing except motor tubes and cycle tyres are manufactured there. Those things are kept in a lumber room as it were and kept safe, because they could not be marketed. Can that be called economic planning? It is just like a minor's venture in opening a coffee hotel in front of a popular Potti hotel. Our experience proves that things which could be marketable should be produced in larger quantities and thus add to the revenues of the country. It is no use that the rubber factory produces things which nobody wants. I have doubts whether the Agent himself now appointed is a properly qualified man for the work. People say that the rubber factory also is going the same way as the Punalur Matches.

A word about the porcelain factory. I do not know whether porcelain could be manufactured from the factory proposed. You can go on experimenting till the whole market is flooded with finished goods from other countries. Even if we produce any stuff, that will only be of an inferior stuff. Sugar factory is another instance of the much-boasted economic planning. The less said about it the better. If this is the main objective of modern state-craft, as the Financial Secretary says, I do not know where we are going to be landed. Instead of pursuing in this direction, the Government could put their own house in order and should shut their eyes to fruitless ambitions.

Nothing by way of encouragement is afforded to the rural needs of the country. There is provision in the budget for the so-called reproductive schemes, but not a single pie for the agricultural development except Scindhi bulls for the city of Trivandrum.

DEPUTY PRESIDENT: You are not heard on this side. Can you raise your voice a bit?

LIBRARY ARCHIVES Kerala Legislative Assembly

MR. M. SIVATANU PILLAI (*Tovala*): If the ordinary agriculturist is not taken proper care of, there will be no prosperity at all in the country. It is the land revenue which is the main source of income. For Land Revenue, the needs of the agriculturist should be gone into minutely. Without peasantry, no Government could exist.

Another important point I wish to touch upon is this. Corruption in the services is now the order of the day. It is better to create a department styled as "Corruption Intelligence Department" to find out the corruption of officers. If corruption is found among the lower ranks of the officers ; the Government say that they are punished by the controlling officers. But when there is corruption among the higher ranks, there is no scope for punishing them. It is high time that Government devise some method for finding out corruption in the higher ranks. A question may be asked whether there is corruption in Travancore. I will recall to mind the pages of the old Sri Mulam Popular Assembly Proceedings and quote an instance. During an ex-Dewan's time, one member complained against corruption in the Police Department. The then Dewan interrupted the member whether he could give instances. The member answered in the affirmative and began to file instances one after another with facts and figures. Then the Dewan got stunned and exclaimed that Travancore, when compared to British India, is by far in a better position. To my mind, such corruption exists in the Police Department to a very great extent. If that was the state of affairs in the Police Department years ago, the condition must be much worse now.

A word about the Police Department. Some time back, that is, just previous to the present Acting Commissioner, the department was presided over by one well acquainted with Shakespeare and English literature. Honourable members some times used to refer to him as Shakespearean scholar. I could imagine that Government took that humorous reference seriously and have appointed a person who is just the other way.

DEPUTY PRESIDENT: Is that a test for appointing an officer?

MR. M. SIVATANU PILLAI (*Tovala*): I wish to say that the one was a cultured Chari and the present is an experienced Aiyangar. He is issuing circulars also in a Shakespearean style so much so they could be interpreted in different ways.

DEPUTY PRESIDENT: When the member speaks of corruption in the Police Department, Shakespeare is not quite relevant (*Laughter*).

MR. M. SIVATANU PILLAI (*Tovala*): Shakespeare also has dealt with corruption for the matter of that.

DEPUTY PRESIDENT: You may proceed with your point Mr Sivatanu Pillai.

MR. M. SIVATANU PILLAI (*Tovala*): I read in papers that there was riot at Alleppey some days back and the Police were inefficient to control this situation. All that shows the department is wanting in efficiency and there is no effective control. They say that, but for the Police, the riots would not have occurred.

LIBRARY ARCHIVES Kerala Legislative Assembly

MR. PACODE A. NARAYANA PILLAI (*Vilavankod*): On a point of order. Is the member in order in referring to Alleppey riots which is *sub-judice*?

DEPUTY PRESIDENT: I did not hear him say so. Did Mr. Sivatanu Pillai say that?

MR. PACODE A. NARAYANA PILLAI (*Vilavankod*): Yes, Sir.

MR. M. SIVATANU PILLAI (*Tovala*): I was in a way referring to that.

DEPUTY PRESIDENT: Please leave that matter alone.

MR. M. SIVATANU PILLAI (*Tovala*): I was simply adverting to that to show the inefficiency of the police administration as a result of corruption in higher ranks as well.

DEPUTY PRESIDENT: Will not the statement made by the Honourable member weigh with the people and the courts of the land to adopt a particular line of action?

MR. M. SIVATANU PILLAI (*Tovala*): I shall content myself by saying that the Police Department is not running in its proper lines and should be thoroughly overhauled.

DEPUTY PRESIDENT: The member has exceeded his time.

MR. M. K. JANARDANA KAMATH (*Commerce and Industry, North*): സർ, അടുത്തകൊല്ലത്തെ ബഡ്ജറ്റ് ശ്രുപീകരിക്കുന്ന വിഷയത്തിൽ ഫൈനാൻഷ്യൽ സെക്രട്ടറി വളരെ നിഷ്ക്കർഷ ചെയ്തിട്ടുണ്ടെന്നു കാണുന്നതിൽ അദ്ദേഹത്തെ അഭിനന്ദിക്കുന്നു വേണം. മൂന്നു ലക്ഷത്തിൽ ചിലപ്പോൾ ശ്രുപാ മിച്ചം കാണിച്ചിട്ടുള്ള ഒരു ബഡ്ജറ്റ് ശ്രുപീകരിച്ചതിൽ ഫൈനാൻഷ്യൽ സെക്രട്ടറി വളരെ ചാരിതാർത്ഥ്യം പ്രദർശിപ്പിച്ചിരിക്കുന്നു. അടുത്തയാണ്ടത്തെ ബഡ്ജറ്റ് ഒരു മിച്ചമുള്ള ബഡ്ജറാണെന്നു പ്രഥമദൃഷ്ടിയിൽതന്നെ തോന്നിയേക്കാം. ബഡ്ജറ് മിച്ചമുള്ളതെന്നായി കാണുന്നതുകൊണ്ടു നമ്മുടെ ധനസ്ഥിതി ഉറച്ചതാണെന്നും വിചാരിക്കാവുന്നതാണ്. പക്ഷേ, അദ്ദേഹം മുൻകാലങ്ങളെ അപേക്ഷിച്ചു നമ്മുടെ ധനസ്ഥിതിക്കു അത്ര ഉറപ്പില്ലെന്നും അതുകൊണ്ടു വ്യയനിയന്ത്രണം അത്യാവശ്യമാണെന്നും പറയുന്നില്ലെന്നുമില്ല. ഒരു മിച്ചമുള്ള ബഡ്ജറ് എപ്പോഴും വിജയപ്രദമായ ഒരു ബഡ്ജറാണെന്നു വിചാരിക്കാൻ തരമില്ല. ജനങ്ങൾ ക്ഷേമത്തോടുകൂടി കഴിയുന്നകാലത്തു ഒരു മിച്ചമുള്ള ബഡ്ജറ് പ്രതീക്ഷിക്കുന്നതിൽ അക്കുംതന്നെ എതിരഭിപ്രായം ഉണ്ടാകുന്നതിനു വഴിയില്ല. എന്നാൽ ക്ഷാമംകൊണ്ടു ജനങ്ങൾ ദരിദ്രന്മാരായിത്തീരുകയും ഭൂമിയിൽ വിളയുന്ന സാധനങ്ങൾക്കു ശരിയായ വിലകിട്ടാതെയും കച്ചവടം, വ്യവസായം മുതലായ തൊഴിലുകൾ ദിനംപ്രതി ക്ഷയിച്ചുവരുകയും കൃഷിപ്പിഴയും ഋണഭാരവുംമൂലം ജനങ്ങൾ ഗവണ്മെന്റിലേയ്ക്കു കൊടുക്കുവാനുള്ള നികുതിപോലും അതാതു ഗഡുവിൽ ഒടുക്കുന്നതിനു നിവൃത്തിയില്ലാതെ സാമാന്യ ജനങ്ങൾ വിഷമിക്കുകയും ചെയ്യുന്ന ഈ ഘട്ടത്തിൽ ആ വക സംഗതികളിൽ യാതൊരു

LIBRARY ARCHIVES Kerala Legislative Assembly

പരിഹാരമാർഗ്ഗങ്ങൾക്കുവേണ്ടി ഒന്നും ചെയ്യാതെയും പൊതുജനങ്ങളുടെ ക്ഷേമത്തിനുവേണ്ടി എന്തെങ്കിലും പ്രവർത്തിക്കുന്നതിനുള്ള ഒരു വ്യവസ്ഥയും ഉണ്ടാക്കാതെയും ഈ ബഡ്ജറ്റു രൂപീകരിക്കുന്നതിൽ ഫൈനാൻഷ്യൽ സെക്രട്ടറിയെ അഭിനന്ദിക്കുവാൻ നിവർത്തിയില്ല. നികുതി പിരിക്കുന്നവിഷയത്തിൽ വളരെ ശ്രദ്ധയോടുകൂടിയാണു ബഡ്ജറു രൂപീകരിച്ചിട്ടുള്ളതെന്നു കാണാം. അതും ഒരു മിച്ചമുള്ള ബഡ്ജറു എന്നുകൂടി വന്നാൽ ജനങ്ങൾക്കു എത്രമാത്രം സന്തോഷകരമായിരിക്കുമെന്നുള്ളതു് ഊഹിക്കാൻ കഴിയുന്നതാണു്.

കച്ചവടത്തിന്റേയും വ്യവസായത്തിന്റേയും അഭിവൃദ്ധിയെ ആശ്രയിച്ചായിരിക്കും ഒരു രാജ്യത്തിന്റെ അഭിവൃദ്ധി സ്ഥിതിചെയ്യുന്നതു്. ചില വ്യവസായങ്ങളിൽ ഗവണ്മെന്റു ഏർപ്പെട്ടിട്ടുണ്ടെന്നു സമ്മതിക്കുന്നു. പക്ഷെ, നമ്മുടെ ഗവണ്മെണ്ടു ആദായകരമായ എന്തെങ്കിലും വ്യവസായം നടത്തുന്നുണ്ടെന്നു ജനങ്ങൾക്കു ഇതുവരെ ബോദ്ധ്യംവന്നിട്ടില്ല. പള്ളിവാസൽ ഹൈഡ്രോ ഏലക്ട്രിക്കു സ്കീമിൽനിന്നുപോലും അടുത്തകാലത്തെങ്ങും മൂലധനത്തിന്റെ 8 ശതമാനത്തിൽ കൂടുതൽ തിരിയെ കിട്ടുമെന്നു ആശിക്കാൻ നിവർത്തിയില്ലെന്നാണു് ഫൈനാൻഷ്യൽ സെക്രട്ടറിയുടെ റിപ്പോർട്ടുകൊണ്ടു കാണുന്നതു്. അതുപോലെ കൃഷിയെ സംബന്ധിച്ചാണെങ്കിൽ, കൃഷിക്കാർക്കു കടത്തിനു മോചനം വരുത്തുന്നവിധത്തിൽ—അതായതു ലഹള കൂട്ടുന്നവർക്കു ഒരു സമാധാനം ഉണ്ടാക്കിക്കൊടുക്കുക എന്ന സമ്പ്രദായത്തിൽ— ഒരു ബിൽ ഇവിടെ കൊണ്ടുവന്നു ഏറിയകൂറും പാസായി എന്നുള്ള രൂപത്തിൽ അതുക്കിത്തീർത്തിട്ടുണ്ടു്. ആ ബില്ലാകട്ടെ, കച്ചവടക്കാർക്കും ബാങ്കുകാർക്കും വളരെ ദോഷകരമായതാകുന്നു. കച്ചവടക്കാരുടെ ഗുണത്തിനുവേണ്ടി ഗതാഗതസൌകര്യങ്ങൾ—അതായതു തോട്ടുകൾ, റോഡുകൾ മറ്റു ജലമാർഗ്ഗങ്ങൾ, മുതലായവ—വിപുലപ്പെടുത്തുകയും വർദ്ധിപ്പിക്കുകയും ചെയ്യുന്നതിനുള്ള തുകയാതൊന്നും കാണിക്കാതെയുള്ള ഈ ബഡ്ജറു ഒരു മിച്ചമുള്ള ബഡ്ജറായി കാണുന്നതിൽ വളരെ സങ്കടംതോന്നുന്നു. കച്ചവടാഭിവൃദ്ധിക്കും വ്യവസായാഭിവൃദ്ധിക്കുമായി വേണ്ടനിർദ്ദേശങ്ങൾ നൽകി, കച്ചവടക്കാരെയും ബുദ്ധിമുട്ടുന്ന മറ്റു ജനങ്ങളെയും രക്ഷിക്കുന്നതിനുവേണ്ടി, വേണ്ടതു പ്രവർത്തിക്കണമെന്നു ഞാൻ ഗവണ്മെണ്ടിനോടു അപേക്ഷിക്കുന്നു.

DEPUTY PRESIDENT: The House will now adjourn to meet again tomorrow at 11 A. M.

The House adjourned at 5 P. M.

K. MADHAVA KURUP,
Secretary to the Sri Mulam Assembly.

LIBRARY ARCHIVES Kerala Legislative Assembly